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In Cruel Afghan War, Hour of Decision Nears

Taliban Forces Seem on the Verge of Victory In Struggle to Impose Purist Islamic Society

By John Burns
New York Times Service

NEW DELHI — A quarter of a century after the overthrow of the Afghan monarchy started the country on a downward spiral into fratricide and destruction, the Islamic hard-liners of the Taliban movement appear to be on the brink of re-unifying the country.

With this, they will be closer to their goal of imposing throughout the land their vision of a purist Islamic society, one that condemns women to a lifetime of domestic seclusion and submission. In a monthlong offensive, Taliban forces have overwhelmed the forces of the so-called Northern Alliance, which

defied the Islamic militants for two years by holding on to much of the territory north of the soaring Himalayan peaks of the Hindu Kush.

With a rush of victories in the past three quarters of the country and seem poised to surround the last remnants of the alliance forces in two remaining redoubts, in the Bamiyan region of the central mountains and in the Panjshir Valley of the northeast.

The Taliban thus appear to be close to achieving the goal that eluded a Soviet invasion force of more than 100,000 men through much of the 1980s, as well as American-backed guerrillas who battled Soviet forces, then set to a murderous civil war after driving the Russians out in 1989.

The goal is forging a new, united Afghanistan, one that will bring peace, or at least the absence of war, to most of a weary, demoralized and often hungry population of between 15 million and 20 million people.

While Taliban forces continued to push forward against the scattered and retreating alliance forces, which surrendered four key northern cities and towns in recent days with only token resistance, the historic significance of the moment was proclaimed by the Taliban's representative at the United Nations in New York, Noorullah Zadrani.

"After 25 years of struggle, it seems to us that we have finally come to the end of the struggle," Mr. Zadrani said in a television interview Wednesday with the BBC. "Finally, we believe that the war is at an end."

If so, the outcome is full of irony, and many would say tragedy, for a nation that seemed set on a diametrically opposite course in 1973, when a palace coup mounted by his cousin, Mohammed Daoud, ousted King Zahir Shah, the last representative of the Durani dynasty that had ruled the country for 250 years.

President Daoud, as he became, proclaimed himself a modernizer, but lasted barely five years before he, in turn, was overthrown and killed, in April 1978, in a military coup staged by the Soviet-backed Communist Party, which proclaimed a far more radical program of modernization.

Above all, the Communists' program aimed at uprooting the pervasive and mainly retrogressive influence of Muslim clerics, who established what amounted to a condominium with the Duranis that consigned Afghanistan to a social and economic backwardness that marked the country out in an Asia that was already beginning by the late 1970s to catch up with the Western world.

Within hours of taking the crenellated Arg Palace in Kabul, the Communists vowed to emancipate Afghan women, achieve universal literacy, and move the country beyond its ballock-cart econ-

Tracking Terrorists: Too Many Blind Alleys

By Tim Weiner
New York Times Service

NAIROBI — In the war between the United States and terrorists since the 1983 bombing of the U.S. Embassy and the Marine barracks in Beirut, the body count is grim. Today it stands: Americans killed in bombings and hijackings in the Middle East and Africa, 307; terrorists convicted for those crimes by U.S. courts, 1.

As the FBI and the Central Intelligence Agency set up shop in borrowed offices here and in Dar es Salaam, scrounging desks and telephones while spearheading a glob-

Several embassies shut. Page 2.

al search for the people who bombed the U.S. embassies in Kenya and Tanzania, they know all too well that acts of terror committed overseas are the most difficult cases for them to crack. The complexity and sophistication of foreign terrorist organizations are increasing, present and former intelligence officials say.

The audacity and skill required in these bombings — two nearly simultaneous attacks, more than 300 miles apart, killing more than 200 people — were breathtaking to veterans of the war on terrorism.

"Two at once is not twice as hard," said Milton Bearden, a retired senior CIA official who had served as the agency's ranking officer in Sudan, Pakistan and Afghanistan. "Two at once is 100 times as hard."

The Kenyan government announced Wednesday that it had arrested suspects in Nairobi. So did the

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Prudence Bushnell, the U.S. ambassador to Kenya, being overcome by emotion after laying a wreath at the site of the bombing. Page 5.

2 Inspectors Say Iraqis Threaten UN Surveillance

Council Plans Meeting On Saddam Challenge To Long-Term Program

By Barbara Crossette
New York Times Service

UNITED NATIONS, New York — Two chief UN arms inspectors told the Security Council on Wednesday that Iraq was threatening the long-term monitoring program designed to keep the country under surveillance if sanctions were lifted.

In the latest confrontation with the UN, Baghdad had already effectively ended weapons searches. The inspectors say they can no longer feel confident that Iraq is not restarting prohibited weapons programs.

The Security Council is expected to meet, perhaps as early as Thursday, to confront this new and unexpected problem.

Not since the disarmament of Iraq began after the Gulf War in 1991 has there been any indication that Saddam Hussein would try to block long-term surveillance as a price to pay for the lifting of sanctions — although arms control experts have long suspected that the monitors would face problems.

"The entire purpose of the monitoring program," said Gary Mithollin, director of the Wisconsin Project on Nuclear Arms Control, "is to discover things that would later be followed up by intrusive inspections. If you can't check something that you discover by monitoring, then there's no point in monitoring. If Iraq is saying, you can't do any more inspections, even if the monitoring indicates something suspicious, then you might as well not be there."

In letters to the Security Council, Richard Butler, executive chairman of the UN Special Commission, and Mohammed Baradei, director general of the International Atomic Energy Agency, said Wednesday that Iraq's refusal to cooperate with active inspections was already weakening what they called "ongoing monitoring and verification."

Much of that monitoring is done by cameras and sampling devices for air, soil and water that have been installed on sites the inspectors say they need to watch indefinitely. It was assumed that active search-and-destroy missions could take place if new information came to light that warranted inspections.

Now both chief inspectors — Mr. Butler for biological, chemical and missile systems and Mr. Baradei for the clandestine nuclear program — said that Iraq was not only blocking follow-up searches when monitoring raises questions but had also frozen technical talks on outstanding issues.

"The restrictions imposed by Iraq

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See IRAQ, Page 5

Burma's Unrelenting Tug-of-War

Leaving Capital, Dissident Prepares for New Standoff With Regime

By Seth Mydans
New York Times Service

BANGKOK — Loading up a van with food, water and other supplies, Daw Aung San Suu Kyi embarked again Wednesday on one of the few means of protest she has: She drove into the countryside as far as she could until the military authorities who rule Burma stopped her.

The last time she did this, at the end of last month, she spent six days inside her car, blocked by soldiers from proceeding and refusing their order to return to the capital, Rangoon. This time, foreign diplomats said, she was better supplied for a potentially even longer stay.

The spectacle of the country's pro-democracy leader — and winner of the Nobel Peace Prize — stalled for days inside her car and surrounded by soldiers seemed an apt symbol for Burma's political dead end.

Ten years after Daw Aung San Suu Kyi stepped forward as a leader during a pro-democracy uprising, her main accomplishment is to dramatize the human rights abuses and political repression of the Burmese military rulers. She has not succeeded in easing the lives of her countrymen.

Eight years after her party, the National League for Democracy, won a landslide victory in parliamentary elections, its delegates remain blocked from

taking office, powerless, harassed and often jailed.

In another of the symbolic acts that are her only weapons, Daw Aung San Suu Kyi has demanded that the elected National Assembly convene by Aug. 21, though she has not said what would happen if, as expected, the military government ignores her demand.

In advance of this date, she has begun traveling to the countryside to try to meet with her supporters. The first two times, brief meetings were permitted. The second two times, she was stopped, on the same road and in almost the same place — 24 kilometers (15 miles) west

Bunnies Without Carrots in Belarus ...

By Michael Wines
New York Times Service

MOSCOW — It's not easy to get fiscal respect when your national currency is nicknamed the bunny.

But in Russia's westerly neighbor Belarus, where the bunny is king, appreciation is the least of the economic worries.

The Belarusian ruble — called the *zashchit*, or little hare, after the engraving that is its main feature — has lost half of its worth in five months, and more than 10 percent in the last week

alone. International lending agencies all but wrote off the economy last spring. Foreign investors have been packing up and leaving for months.

Now, the government has announced a new and perhaps unintentionally revealing plan to shore up the ruble's value: Starting next week, the country will no longer accept its own currency as payment for exports.

That will keep outsiders from pumping more rubles into an economy already flooded with so many that the currency is essentially worthless. But outside experts say it will not solve the

real problem: The Belarus government, which controls most of the country's industry and the prices of most goods, prints more rubles whenever it runs short of cash.

The latest plunge in the ruble's value occurred after the nation's autocratic president, Alexander Lukashenko, said the government would issue more bunnies to pay for the fall harvest.

Belarus's currency aside, Mr. Lukashenko is that rare leader who openly longs for a return to the Soviet

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... and a Big, Innovative Stick in Ukraine

Compiled by Our Staff From Dispatches

PEREYASLAV-KHMELNITSKY, Ukraine — In a bizarre move redolent of the country's Soviet past, about 1,200 elite businessmen were bused to a civil defense training camp on Wednesday and told by the angry prime minister they could not leave until they had paid their debts.

"Only when they have decided how to pay their debts will they be allowed out," intoned Valeri Pustovoitenko at a

meeting of regional officials in the capital Kiev.

"They will only be allowed out with my personal permission," he said of the camp, surrounded by barbed wire, concrete walls and perrolling policemen, who barred foreign journalists.

But instead of breaking rocks or shoveling manure, the "prisoners" will be made to attend seminars and brain-

storming sessions to work out just how to pay back the billions of dollars they owe each other, their impoverished employees and the government in unpaid debts, wages and taxes.

The civil defense camp is just one part of Mr. Pustovoitenko's unorthodox campaign to crack down on tax delinquents, which some have criticized as authoritarian.

(Reuters, AP)



CONGO MOBILIZES — Thousands of recruits to the Congolese Army cheering Wednesday at a stadium in the capital, Kinshasa. The human-rights situation was reported to be deteriorating. Page 2.

Braving Slings and Arrows, Mrs. Clinton Is Winning Sympathy

By Lizette Alvarez
New York Times Service

WASHINGTON — As Hillary Rodham Clinton's bus chugged along the roads in upstate New York recently on a tour for historic preservation, she glanced out the window at a woman holding aloft a cardboard sign. It said, "You Go Girl."

It appears that Mrs. Clinton has been trying to do just that, and in some respects, is succeeding, even as her husband prepares to face a federal grand jury on Monday about his relationship with Monica Lewinsky.

Mrs. Clinton's approval ratings across the country are higher than ever. Instead of sequestering herself at the White House, away from the klieg lights and the inevitable questions about Mrs. Lewinsky, Mrs. Clinton has crowded her schedule with things to do and people to see.

Two weekends ago, in the Hamptons on New York's Long Island, Mrs. Clinton dropped in on the glitterati, firing up a crowd of 1,000 people who whooped and hollered as she introduced her husband. And she has helped several Democratic candidates, recently raising \$150,000 in Philadelphia for one candidate. Soon, she will be

traveling to Russia, Ireland, Chile and Uruguay. Once in a while, Mrs. Clinton has stirred things up by dishing out a few select words about the Lewinsky matter, in which a grand jury is investigating whether President Bill Clinton lied when asked under oath if he had had a sexual relationship with the former intern and whether he tried to cover it up.

In January, Mrs. Clinton placed the blame on a "right-wing conspiracy" spearheaded by the independent counsel, Kenneth Starr, and his allies, for trying to ruin her husband's presidency.

On Tuesday, in an interview published in The

Arkansas Democrat-Gazette, Mrs. Clinton said that prejudice against Arkansas was driving the attacks on her husband. "I think a lot of this is prejudice against our state," she told the newspaper. "They wouldn't do this if we were from some other state."

Some Republicans in Arkansas seized on Mrs. Clinton's remark. "I know she must be going through a lot of stress, but I don't think anyone in Arkansas believes this is occurring because of prejudice towards the state," said Representative

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'Laudable and Detestable' / New Twist on a Javanese Legend?

The Enigma of Suharto's Son-in-Law

By Cindy Shiner
Washington Post Service

JAKARTA — There are two legends in Javanese culture about what happens when a man marries the daughter of a king. The groom could be like Jaka Tingkir, who killed his father-in-law and established a new kingdom. Or he could follow the footsteps of Ageng Mangir, who attempted several coups against another sultan and ended up dead.

Today, Indonesia is watching the story of former President Suharto and his son-in-law, Lieutenant General Prabowo Subianto.

Hashim Wahid, a businessman who has known General Prabowo since kindergarten, said he asked him once in jest: "Who do you want to be? Jaka Tingkir or Ageng Mangir?" The response? "He just slammed the door in my face and never talked to me again for 12 years."

Since Mr. Suharto was forced from power by student protests and widespread rioting in May, sources close to General Prabowo say the former president has refused to speak to him and considers him a traitor. General Prabowo, 46, a mercurial and ambitious soldier, is suspected of involvement in some of the events that led to the end of Mr. Suharto's 32-year rule, including the abduction and torture of political activists. He appeared before a military Honor Council on Monday to answer questions about his alleged role in the abductions and could face disciplinary action.

[General Subagyo Hadisuswoyo, the army chief of staff who heads the tribunal, said Wednesday that "Prabowo has admitted wrongdoing, and will take responsibility." The Associated Press reported. General Subagyo did not say whether the troops accused of kidnapping were under General Prabowo's command at the time.]

Derisively referred to among his peers as a "golden boy" who rapidly rose through the ranks to become the army's youngest peacetime lieutenant general, General Prabowo represents both the excesses of the former military-backed government and today's soul-searching by an institution trying to maintain its dignity and redefine its role at a time of democratic reform.

His questioning by the military council is widely seen as a way of putting the Indonesian armed forces on trial. The military is under pressure to investigate its alleged abuses, and blaming someone so closely identified with Mr. Suharto as General Prabowo helps make it seem that a break has been made with the past.

The public fascination with General Prabowo is intense. His face, accented by his special forces red beret, has been splashed on the cover of magazines for the past two weeks.

"He's the most charismatic, enigmatic, unusual and weird guy I've ever known in my life," said a defense analyst with long experience in Indonesia. "He's also laudable and detestable," he said, adding, "Pick an adjective, and it fits."

Depending on whom you ask, General Prabowo



General Prabowo arriving to testify about political kidnappings before the military Honor Council, where Wednesday he admitted 'wrongdoing.'

is either the fall guy for misdeeds committed by the Suharto government and the military, or he is a power-hungry fanatic who misjudged the forces he might have been up against if he chose to take on his father-in-law. In the end, perhaps Javanese history will have a new legend — the fall from grace of both the king and the prince.

"To be fair, I think there's more to it than just Prabowo here," said Marzuki Darusman, deputy chairman of the Indonesian National Commission on Human Rights. "I'd say he's a keeper of secrets, and he might be predisposed to reveal a few if forced to."

Local newspapers reported last week that a group of retired generals had called on the Honor Council to investigate the possible involvement of Mr. Suharto, who was commander-in-chief of the armed forces, in the abduction of the activists. An investigation is already under way into the wealth he amassed during three decades in power.

Some people say that while Mr. Suharto might not have ordered General Prabowo to abduct political activists, a practice that human rights groups say has been widespread for years in such rebellious provinces as Aceh, Irian Jaya and East Timor, Mr.

Suharto might have indicated that was his wish, and General Prabowo could have carried it out to win his favor.

Although General Prabowo gained status and power by marrying Mr. Suharto's daughter, Siti Hediya Harijati, or Titiek, a successful businesswoman, he also comes from one of Indonesia's most prominent families. He is the son of Soemirno Djojoadikusumo, a widely respected economist who fled the country in the 1950s after being accused of supporting a rebellion.

DURING his early years, General Prabowo lived in England and Switzerland. He adopted the Western approach of tackling problems head-on, and this later put him in frequent conflict with Mr. Suharto, a master of the subtle Javanese style of getting his way. When General Prabowo's family returned from Europe, he enrolled in the military academy as a way to pursue his ambitions and to win respect on his own terms.

It was probably the most prestigious profession then, back in the '70s, "the senior government official said. "Later on, with the opening of the economy in the mid-'80s, he began to find that the army officer corps' official social status had declined relative to the emerging new professions, particularly in the modern economy: banking, accountancy, law, architecture." By that time, General Prabowo had spent 10 years fighting separatist guerrillas in East Timor.

General Prabowo's commitment to the armed forces deepened after attending military training courses in the United States. By 1995, he had risen to command Indonesia's special forces unit, known as Kopassus, and forged close links with the U.S. military.

Reportedly helped by funds from a brother, General Prabowo increased the size of Kopassus from 3,500 to 6,000 men and provided extra pay and plots of land for homes to his troops. His fellow officers resented his meteoric rise; others worried that he was seeking to create a private army and consolidate his power base.

Over the years, allegations of human rights abuses in East Timor, Irian Jaya and Aceh arose, and the military's reputation began to slide. General Prabowo, it was said, was eager to prove that if the military was no longer revered, he would command respect through force. He developed a reputation for treating his troops brutally and became known for anti-Chinese and anti-Semitic rhetoric. In the final days of Mr. Suharto's rule, General Prabowo was suspected of trying to engineer a takeover of the government. Sources close to him say his offer to send troops to the capital to suppress rioting directed at ethnic Chinese was rejected by more senior military commanders. There was suspicion that General Prabowo, or people close to him, had organized the rioting to create an excuse for a crackdown.

"The idea that was presented to me was that Prabowo would come trotting up on a white horse and spreading joy, peace and security in his wake," the defense analyst said. "If so, it was a hell of a gamble, and it backfired."

Rights Abuses on Rise In Congo's Civil War

By Lynne Duke
Washington Post Service

KINSHASA, Congo — The human rights situation all over Congo has deteriorated dangerously during the country's eight-day-old civil war, according to numerous diplomatic and humanitarian agency sources. They have reported executions of Congolese and Rwandans, hostage-taking of Americans and disregard for the protections usually afforded to foreign embassies and the United Nations.

The abuses are being committed by both sides in the conflict between President Laurent Kabila's armed forces and rebellious ethnic Tutsi soldiers backed by Rwanda's mostly Tutsi army, which is fighting to topple him.

These allied Tutsi forces are the same ones that led the revolt that ousted the dictator Mobutu Sese Seko in May 1997 and installed Mr. Kabila in power. They have been joined by some non-Tutsi troops from Marshal Mobutu's defeated army who were inducted into Mr. Kabila's forces, and have captured towns in Congo's far east and far west that a government counteroffensive is now bidding to retake.

The Tutsi, who account for a small portion of the population in Congo and in Rwanda, where they dominate the country's leadership, have long been a target of resentment and anger in Congo. Although their roots in eastern Congo go back centuries, Congolese of other ethnic groups often refer to them as foreigners, most often simply as Rwandans. Such long-standing enmity was heightened when Mr. Kabila retained many Tutsi in his government and allowed Rwandan troops to remain in Congo even after Marshal Mobutu's ouster.

With regional and ethnic alliances shifting and fears of increased foreign involvement in the war, this highly fluid and volatile country is fast plunging toward anarchy in some regions, according to a variety of sources.

Here in the capital, the situation is similarly chaotic.

Although no fighting has occurred here since the initial skirmishes when the rebellion began Aug. 3, soldiers, police and intelligence agents have been rounding up Tutsi troops and civilians. In some instances, civilians have been denounced suspected Tutsi and known associates to the authorities.

Two Burundian Tutsi diplomats were detained briefly by Mr. Kabila's troops on Monday, and the troops hurled ethnic abuse at the Burundian ambassador when he tried to intervene, a diplomat said.

On the same day, troops attempted to enter and search a high-rise UN headquarters building here. UN offi-

cials, however, stood their ground and convinced the troops that they could not enter.

Detained Tutsi are being held in desperate conditions in prisons at a military camp, a local hotel and a security headquarters building, according to diplomatic sources and a witness.

They are given little food and water and are crammed into cells so crowded that people must sleep while sitting and relieve themselves where they are, the witness said. Several executions have taken place at these prisons, according to the witness, who said he heard screams and gunshots at one such site.

Diplomats concur that executions appear to have taken place, but the exact number is not known.

Interior Minister Gaston Kalukidi called the detentions "a preventive measure to shield the Rwandan women and children" and the Congolese Tutsi "from lynching."

"We have kept them in a place for humanitarian reasons," he said, without saying how many were detained or where.

In rebel-held territory in the west, mutinous troops took 10 U.S. Peace Corps volunteers hostage Sunday night in the town of Boma near the mouth of the Congo River, diplomats and an oil industry source said. The volunteers, along with two Canadians and a Belgian, had taken refuge at a UN compound because of fighting in the area. Rebels arrived to loot the place and robbed the foreigners of all they had and seized UN vehicles.

After a tense siege and negotiations by diplomats, the 13 foreigners were allowed safe passage downriver to the Atlantic coastal town of Banana, also in rebel hands, Monday afternoon. From Banana, they were evacuated to an oil tanker offshore, and then to the Angolan capital, Luanda, diplomats said.

In eastern Congo, the rebel troops are accused of targeting other ethnic groups in much the same way that Tutsi are targeted in the capital.

In the eastern provinces of North and South Kivu, where the rebels have seized the towns of Goma, Bukavu and Uvira along Congo's border with Rwanda and Burundi, multiple ethnic grudges reportedly are being played out, with the Tutsi rebels settling scores with groups that oppose them.

"We know that Katangese were targeted," a second diplomat said, referring to Congolese from the southern Katanga region, who have been at odds with the Tutsi since Mr. Kabila's anti-Mobutu uprising. "We know that some Hutu in North Kivu were targeted and some Bembe." The Hutu and Bembe are two main ethnic groups in the Kivu region that have been battling Tutsi in Congo and in Rwanda for months.

Threats Shut Several U.S. Embassies

Temporary Closures Include Installations in Malaysia and Uganda

By Philip Shenon
New York Times Service

WASHINGTON — Several U.S. embassies have temporarily closed down routine operations in response to threats made after the terrorist attacks on the embassies in Kenya and Tanzania, according to State Department officials.

The officials said that the affected embassies included those in Kuala Lumpur, Malaysia, and Kampala, Uganda.

The State Department refused to provide a formal list of the shuttered embassies out of concern that it might be used by terrorist groups to identify future targets or might lead to "copycat" calls mimicking terrorist threats.

Officials said they could not recall a similar instance in recent years in which a number of U.S. diplomatic installations, which often get threats of violence, had suspended operations simultaneously.

In Mbabane, capital of Swaziland, the U.S. Embassy was evacuated for several hours Tuesday after a bomb threat.

In West Africa, the U.S. Embassy in Ivory Coast said it had cut back its business hours while security was reinforced.

The State Department also said Tuesday that it had received information about possible threats to U.S. targets in Egypt and Yemen.

The Cairo office of the Agency for International Development was shuttered and its employees moved into the well-fortified U.S. Embassy in the Egyptian capital.

Embassies reporting threats were continuing to operate, although in some cases at reduced levels. The State Department said Americans in those countries "should exercise caution" but it did not issue travel alerts.

The United States announced a worldwide alert for embassies and other diplomatic installations after the terrorist attacks last week.

Patrick F. Kennedy, the assistant secretary of state for administration, said that the United States was "not shutting down embassies in a permanent sense."

He said that since the bombings last week, the department and its overseas posts had received between one dozen and two dozen threats, including some considered "copycat" threats.

The closings, Mr. Kennedy said, occurred in "several regions" of the world.

"We are not leaving," he said. "We are taking, in effect, a brief time-out in order to make the security adjustments that are necessary to be responsive to a threat."

Another State Department official, speaking on condition that he not be identified, said that "where prudent, we're reducing staff, we're moving from one building to another, we're reducing hours."

But he insisted that Americans living or traveling abroad would be able to obtain emergency services from all U.S. embassies, regardless of terrorist threats. "You will always be able to get an operator at the embassy and be connected to a duty officer — 24 hours a day," he said.

Mr. Kennedy said the embassies had been closed at the request of ambassadors or, in their absence, the highest-ranking local U.S. diplomat.

"We have always said to our chiefs of mission that they are responsible to protect the lives and safety of personnel overseas," Mr. Kennedy said.

He did not describe the threats that had prompted the decision to close some embassies, but he said all were being taken seriously.

The State Department and Congress have faced criticism since the attacks that they failed to provide sufficient security for embassies abroad.

Many of the U.S. diplomatic missions were not given the upgraded security that was recommended by an independent commission after the bombings of the U.S. Embassy and the Marine bar-

racks in Beirut in 1983. A U.S. official at the U.S. Embassy in Kuala Lumpur, speaking on condition that he not be identified, said that the embassy there had closed its iron gates Tuesday for all but emergency services for U.S. citizens. The official said it would remain closed Wednesday for the embassy compound to be "hardened" against a possible terrorist attack.

State Department officials said that the U.S. Embassy in Uganda, which borders both Kenya and Tanzania, was closed Tuesday but was expected to reopen Wednesday with tightened security measures in force.

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German Ban on Driving Stops Few

BONN (Reuters) — Four German states — Baden-Wuerttemberg, Rhineland-Palatinate, Saarland and Hesse — banned driving for a day on Wednesday as air pollution levels soared, but so many motorists were exempt that police said traffic was at normal levels.

With unusually high temperatures across Germany, levels of ozone, a polluting gas produced by car emissions, have triggered a health alert.

No Smoking at Greek Monuments

ATHENS (AFP) — Air pollution may endanger the ancient columns of the Acropolis, but unsightly cigarette butts will pile up no more, thanks to a ban on smoking at Greek

archaeological sites that was announced Wednesday.

The law forbids smoking in museums and at archaeological sites, the Culture Ministry said Wednesday, and will be enforced "because of a number of archaeologists' complaints about cigarette butts on monuments."

Budapest will get two new bridges and a new ring road under urban renewal plans unveiled this week by city authorities. The bridges will link residential districts on the Buda and the Pest sides of the Danube. (AFP)

The U.S. National Transportation Safety Board urged airlines this week to inspect a fuel-pump control shaft in Pratt & Whitney JT8D engines, used in most Boeing 727s and 737s and McDonnell Douglas DC-9s and MD-80s, after several incidents. (WP)

WEATHER

Forecast for Friday through Sunday, as provided by AccuWeather.

Europe

Today High Low Tomorrow High Low
C/F C/F C/F C/F
Algeria 29/24 19/15 30/26 20/15
Amsterdam 18/16 13/12 19/17 14/13
Athens 28/24 19/15 29/25 20/16
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North America

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Asia

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Africa

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THE AMERICAS

Texas and Oklahoma Confront the Worst Drought Since the Dust Bowl

By Rick Lyman
New York Times Service

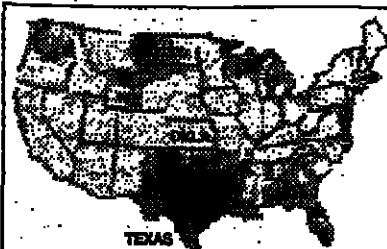
HOUSTON — Figuring out how far Lynn Bartlett's tractor-set grid of sprinklers can reach as they pivot around his sun-cracked cotton fields along the Salt Fork of the Red River is really not much of a chore.

The plants within the irrigated perimeter stand three or four feet (a meter or more) high, thick and bristling with moist green bolls of healthy cotton, some of them as big as apricots. Just beyond the water's reach, though, the plants slouch only a foot (30 centimeters) above the scaly soil and most have just two or three dusty bolls, none bigger than a table-tennis ball.

"This is basically burnt-up cotton," Mr. Bartlett said. "We had a good planting rain back in May, then a week or so later the tap just shut off, and it's been off ever since."

While many parts of America, including the Northeast, are suffering through dry weather verging on drought, the situation is particularly severe in Texas and Oklahoma. Just two years after a drought ravaged large swaths of the rich agricultural region, both states are in the midst of a dry spell that officials say may develop into the costliest and most devastating the region has seen since the Dust Bowl years of the 1930s.

There is not a corner of Texas that is not suffering under severe or extreme drought. President Bill Clinton has de-



Areas of drought as defined by the Palmer Drought Severity Index. As of Aug. 1.

■ Extreme drought
■ Severe drought
■ Moderate drought
■ Near normal to extremely moist

Source: National Oceanic and Atmospheric Administration

"This is basically burnt-up cotton. We had a good planting rain back in May, then a week or so later the tap just shut off, and it's been off ever since."

clared every one of the state's 254 counties a federal disaster area, thus making farmers eligible for low-interest loans.

"The crops have been lost, the livestock has been liquidated, and there's really no relief in sight," said the state agriculture commissioner, Rick Perry. "I am starting to hear reports that this is the worst ever."

During crucial growing weeks from April through June, Texas received little measurable rain at all. South Texas, which has suffered worst from the drought, received only 8 percent of normal precipitation. The citrus ranch lands of the Rio Grande Valley received only 4 percent.

Oklahoma received only two-thirds of its normal rainfall from June 1 to Aug. 1, and the southwestern corner of the state received less than one-third. The U.S. agriculture secretary, Dan Glickman, recently declared 66 of Oklahoma's 77 counties, all but the northeast corner of the state, federal disaster areas, and state officials are hearing the same sort of dire reports as in Texas.

[The Agriculture Department expects the prolonged Southern drought and other weather problems to cut the cotton crop nationwide by 24 percent from last year's level, the Associated Press reported Wednesday from Washington.]

[Farmers had already planted less cotton because of a three-year decline in prices. But extreme heat and lack of rain in Texas, by far the top cotton-producing state, has slashed this year's

expected harvest there by 40 percent from last year's level. About 1.9 million acres (770,000 hectares) of cotton have been abandoned in Texas, about 37 percent of the land planted there this year.]

[Overall, the cotton harvest is estimated at 14.3 million 480-pound (218-kilogram) bales, compared to 18.3 million bales a year ago.]

"All agribusiness is very much affected," said the Oklahoma agriculture commissioner, Dennis Howard. "The ag dollar goes around Main Street six, seven, eight times, but it's not going around now, because it's not there. Small town Oklahoma is really hurting."

Officials in Texas have estimated that the drought will cost farmers and ranchers \$1.8 billion, and will result in a \$4.9 billion drain on the state's overall economy. In Oklahoma, officials last week predicted a total statewide cost of \$2 billion.

But Texas and Oklahoma have changed a great deal since the Dust Bowl years. They have grown more urban and more economically diverse, particularly in the last two decades. So even though the drought could ruin farmers, cattle ranchers, small towns and agriculture-related businesses, the overall economy of the region may survive.

Both Jared Hazelton, the director of the Center for Business and Economic Analysis at Texas A&M University, and Bernard Weinstein, the director of the Center for Economic Development at

the University of North Texas, have said that the drought will not have as dire an effect as some are predicting. That is because, they say, agriculture accounts for only about 1 percent of the \$641 billion Texas economy, even though Texas has one-eighth of the tilled farmland in America.

"The wonderful thing about the growth in the '90s is it isn't tied to a single-sector economy," Mr. Hazelton said. "There is no dominant industry."

Economists say that while the drought will inevitably affect prices at supermarkets all over the country, it is too early to say which products will be affected and how much more expensive they will be.

Even in Oklahoma, where agriculture remains the leading industry, the economy has thus far been able to withstand the drought's impact. "Now, thank goodness, Oklahoma's economy is more diversified than it was," Mr. Howard, the agriculture commissioner, said. "The whole state isn't being impacted like it was during the drought in 1982, when we really went into a nosedive."

Even without such a nosedive this year, agriculture officials say, the drought will still be crushing to those corners of the region where agriculture remains supreme. In rural Texas and small town Oklahoma, they say, businesses will close, tens of thousands of jobs will be lost, cattle herds will be affected for years to come and nervous bankers will refuse to lend money to

more and more struggling farmers. "In metropolitan cities, the impact will be felt in consumer prices and in those businesses connected to agriculture," said Carl Anderson, an agricultural economist at Texas A&M. "But the real impact will be felt in smaller farm communities, and it's going to be devastating. They're going to have problems collecting taxes to keep open their schools. It's going to speed up the drying up of these small, rural communities."

A \$500 million federal aid package is in a House-Senate conference committee, but agriculture officials in Texas and Oklahoma are complaining because half of that money is earmarked for farmers in the Dakotas and Minnesota. Mr. Glickman, the federal agriculture secretary, told officials during his recent swing through the region that he wanted the total raised to \$1 billion, maybe more.

On Friday, Governor Frank Keating of Oklahoma and the governors of South Dakota, North Dakota and Nebraska met to issue 22 emergency and long-term proposals for drought relief.

Truman Zybach raises cattle on 1,700 acres in southwestern Oklahoma and across the Texas line. On his 900-acre ranch in Oklahoma, he said, he would normally have 700 head of cattle at this time of year. But last Friday, with no grass in the fields for the cattle to eat and little hay available in the markets, Zybach packed up four truckloads and sold them off, leaving him with only 30 or 60 cows. "There's no green grass at all," Zybach said. "We're plum out of green grass."

POLITICAL MOVES

Scandal Dims a Clinton Gain

WASHINGTON — In 1992, with the economy sputtering and millions of Americans jobless, Bill Clinton traveled the country promising to put people back to work, in part by trying to "streamline the confusing array of publicly funded training programs" into a far more helpful system for new and dislocated workers.

It was an idea close to his heart, yet one that proved elusive until finally, six years later, he and congressional leaders crafted a compromise and joined together in the Rose Garden last week to sign the Workforce Investment Act of 1998.

Which raises a classic Washington question: If a bill becomes law in the midst of a presidential sex scandal, does anyone hear?

As it turns out, the answer is: not really.

There is a sense of frustration, resignation, even sadness, as White House aides talk about what happened to the job-training bill and how it got lost in the backdraft of the Monica Lewinsky investigation.

For some, it is symptomatic of where the second Clinton term is going. Little seems to be getting done in the capital these days and when it does, it barely causes a ripple in the public consciousness. (WP)

World to President: Don't Quit

Fifty-eight percent of people around the world say President Bill Clinton should not resign even if he had sexual relations with Monica Lewinsky, according to a survey of 17,761 people in 32 countries conducted by a Canadian pollster.

Only 29 percent of those polled said he should quit, according to the Angus Reid Group. The survey found an extraordinary 92 percent awareness worldwide of the allegations against Mr. Clinton, with more than 90 percent in 21 of the countries. Germans led with 99 percent awareness of the Clinton situation. In Denmark, 80 percent think he should not resign. Almost as many agree in France. (WP)

Quote/Unquote

Mitchell Johnson, 14, speaking in court after he was found guilty of killing four of his classmates and a teacher in a shooting spree at a school in Jonesboro, Arkansas: "I really thought that no one would actually be hurt. I thought we would just shoot over everyone's head. When the shooting started, we were not shooting at anybody or any group of people in particular." (AP)

Away From Politics

• A sharp earthquake hit Northern California, swaying buildings in downtown San Francisco and disrupting commuter trains. The tremor measured 5.3 on the open-ended Richter scale. (AP)

• A U.S. Air Force Titan 4A rocket exploded less than a minute after blastoff from Cape Canaveral, Florida, on Wednesday. The Lockheed Martin Corp.-built rocket was carrying a top-secret satellite for the U.S. National Reconnaissance Office, the air force said. (Reuters)

• A Ukrainian-born immigrant, Mikhail Markhasov, 19, was sentenced to life in prison without the possibility of parole for murdering Emis Cosby, 27, the son of the comedian Bill Cosby, in a botched robbery. (Reuters)

In Boston Turnabout, Columnist to Keep Job

By Howard Kurtz
Washington Post Service

WASHINGTON — Mike Barnicle, the star Boston Globe columnist, can keep his job after all, the newspaper said in an embarrassing turnaround amid growing public pressure. Just six days after demanding Mr. Barnicle's resignation, the Globe decided Tuesday not to end a 25-year career of tough-guy prose that had become part of the paper's identity. Instead, the Globe's editor, Matthew Storrin, suspended Mr. Barnicle for two months without pay for using several jokes from a book by the comedian George Carlin without attribution.

"Frankly, I'm persuaded by the argument that the punishment didn't fit the crime," Mr. Storrin said at a news conference with Mr. Barnicle, 54, at his side.

"I apologized to Matt," Mr. Barnicle said. "I apologized to the publisher for putting the newspaper in this terribly awkward position due to my own personal sloppiness."

The paper has been under siege from Mr. Barnicle's supporters. Thousands of readers called the Globe on his behalf. And a major Globe advertiser, the office supply chain Staples, fired off a letter of complaint to the publisher.

Mr. Storrin insisted that the reader and advertiser pressure had "absolutely not" influenced his decision.

But there were divisions, some of them racial, in the Globe newsroom. Less than two months ago, Mr. Storrin successfully sought the resignation of Patricia Smith, a black columnist who admitted fabricating parts of four columns.

Democrats See Bright Side of Starr's Awaited Report

By Susan Schmidt
and Juliet Eilperin
Washington Post Service

WASHINGTON — The independent counsel Kenneth Starr could send his long-awaited report to Congress within weeks of President Bill Clinton's testimony on Monday, and it is likely to be limited to evidence of possible impeachable acts growing out of the president's relationship with Monica Lewinsky, according to sources familiar with the investigation.

The report is not expected to include material related to Mr. Clinton's past financial dealings in Arkansas, the so-called Whitewater matter. Mr. Starr has been investigating for four years. Instead, the sources said, it is expected to concentrate entirely on whether the president lied in the now-dismissed Paula Jones civil lawsuit about an affair with Ms. Lewinsky, a former White House intern, or urged her to do so.

White House officials and congressional Democrats said that a report limited only to the Lewinsky investigation, and not including evidence of presidential wrongdoing in other matters, would be good news for Mr. Clinton, even if the report contains damaging evidence. They argue that the public already has reached a judgment about Mr. Clinton and Ms. Lewinsky and is ready to move on.

"If it's focused on the president's private life, it's perilous for the Democrats and less so for the Republicans," a White House official said. The official was less confident about the impact of a report that provided compelling evidence of obstruction of justice or subornation of perjury.

A congressional Democrat said "it's a pretty big deal" if the report is limited to whether Mr. Clinton and Ms. Lewinsky had a sexual relationship and "the gray areas" of

what Mr. Clinton said to Ms. Lewinsky about keeping the relationship secret. Sources have said that Ms. Lewinsky told the grand jury last week that she and the president discussed "cover stories" to disguise the relationship but that he did not directly tell her to lie in the Jones case.

The arrival of a narrowly focused report on Capitol Hill would threaten the election-year game plans of Republicans and Democrats and would set off a legal and political process for which neither party seems fully prepared. Only White House strategists appear anxious to see the material move from the grand jury room to Capitol Hill.

Congressional Republicans will soon have to map out procedures for handling Mr. Starr's report, and they say they will change House rules after they return from their summer recess in an effort to maintain the secrecy of the grand jury evidence when the Starr report is received. But members of both parties, as well as White House strategists, anticipate that the report's findings could quickly become public, triggering a

parisian and acrimonious debate that could complicate efforts to handle the material in an orderly fashion.

Mr. Starr's report, which has been in preparation for months but whose final form likely will be affected by the president's testimony to the grand jury on Monday, is not expected to contain conclusions or recommendations to lawmakers. Instead, the sources said, it will be a presentation of evidence about Mr. Clinton's conduct in the Jones lawsuit.

The report is expected to lay out the evidence against the president and the procedures used to gather it, along with voluminous supporting material such as grand jury transcripts, physical and documentary evidence, and the secret tape recordings made by Linda Tripp of her conversations with Ms. Lewinsky.

The bulk of the evidence Mr. Starr has assembled relates to whether Mr. Clinton lied under oath when he denied a sexual relationship with Ms. Lewinsky in his deposition Jan. 17 in the Jones case and whether he encouraged her to provide false testimony. Mr. Clinton was asked about other women in the Jones deposition, and the lawyers said the report could also include an examination of that testimony.

Faced with the prospect of receiving a report from Mr. Starr earlier than they had anticipated, House members are taking tentative steps to prepare for a review of the allegations against the president. Democrats are explicitly preparing for battle, having just hired a seasoned defender of accused politicians as their lead counsel on the House Judiciary Committee, while Republicans are working assiduously to avoid appearing eager for a full-fledged impeachment inquiry.

Under the independent counsel law, Mr. Starr would transmit to the House "any substantial and credible infor-

mation ... that may constitute grounds for an impeachment." Then, the House speaker, Newt Gingrich, Republican of Georgia, would be expected to refer the report to the Judiciary Committee where the first step, according to Republicans, would be a preliminary review of the evidence submitted by Mr. Starr. Only after that could Republican Party leaders move to seek House approval for a formal impeachment proceeding.

Republicans and Democrats recognize that once they receive a report from Mr. Starr, they must take steps to keep the contents secret while evaluating whether it merits an impeachment inquiry.

The House will need to

pass a resolution to amend its rules to keep the report confidential because congressional documents are usually accessible to all 435 members. The same measure could define the requirements for issuing subpoenas and granting immunity to witnesses.

But Democrats are already warning that if the majority denies them input into the decision-making, it could run the risk of a political conflict over the process.

Clinton supporters are bracing for a partisan battle. "This will be a very partisan report," said Rahm Emanuel, a senior adviser. "Regardless of its contents, people know that anything that bears Ken Starr's imprint is anything but objective."

AMERICAN TOPICS

Hagers-Town Almanack Offers Advice, Weather Forecasts and a Family Tradition

It may not be quite as well-known as Poor Richard's Almanac, first published in 1733 by Benjamin Franklin, or as the Farmer's Almanac, but the Hagers-Town Almanack, a slice of pure Americana, has been published by the same family longer than any of its rivals.

Started in Hagerstown, Maryland, in 1797 by one J. Gruber, it began like other almanacs as an aid to rural folk, especially farmers, who often came to rely on its long-range weather forecasts to manage their crops, reports The Sun of Baltimore.

Some still do. The Almanack, now published by Charles Fisher, 81, the great-great-grandson of J. Gruber, still offers enough good sense about the weather, farming and life in general, that 150,000 people a year slap \$2.25 down on the counter for it.

Mr. Fisher, who lives in rural Vermont, takes special pride in having rather precisely predicted the fierce winter storms of 1993-94 (the predictions are based not on the behavior of woolly worms but on the observations of generations of farmers, and the position of the moon; Mr. Fisher, incidentally, sees a fairly average winter ahead). Readers seem drawn to the glorified picture of a simpler America the Almanack presents, with its emphasis on decency and hard work. They also love the bits of everyday wisdom: "An oil can works better than a wrench," or "plant a little Epsom salt with your tomatoes."

The Almanack eventually will pass on to his son Charles. "I'd like to think it will go on in perpetuity," says Charles.

"But I doubt that. We've kept up pretty good with the times, but it's not full of sensationalism. It's full of good sense."

Short Takes

Less than two decades ago, the Mashantucket Pequot Indians were barely getting by, holding tribal meetings in a cramped trailer. This week, the now-wealthy tribe, using profits from its Foxwoods Resort Casino, near Ledyard, Connecticut, paid tribute to those difficult times by opening a \$193 million museum to honor their history. The museum includes life-size dioramas of Indian life, including a caribou hunt and a Pequot fort with a running brook.

The long-scattered tribe began moving back to the reservation territory in rural Connecticut in the 1970s, and embarked on a series of ill-fated economic ventures, from making maple syrup to raising pigs. Then came the jackpot: The tribe's Foxwoods casino was to grow until it became one of the world's most profitable.

A Duke University survey of 4,000 North Carolinians has found that those who participated in religious activities were 40 percent less likely to have high blood pressure. The effect appeared strongest in blacks and people between 65 and 75. Earlier research found that religious people are less depressed, have healthier immune systems and deal better with addictions than the nonreligious.

It started when Mayor Jim Whitaker of North Platte, Nebraska, hoping to draw attention to an uncontrolled pet population, offered to walk naked through the city's streets during a festival in September if donors gave at least \$5,000 to the Humane Society by then.

But after the story got national attention and complaints came in about the mayor's dubious taste, Mr. Whitaker has said that he was misunderstood.

The mayor now says that the plan all along was to walk a dog named "Naked" down the street. "Everybody bought it," said Mr. Whitaker—who will make the walk fully clothed.

Brian Knowlton



Bill Clinton being greeted on Wednesday by his dog.

MRS. CLINTON: Winning Respect for 'Standing by Her Man'

Continued from Page 1

Asa Hutchinson, Republican of Arkansas, "It's inexplicable."

Another Arkansas Republican, Representative Jay Dickey, was harsher. "It is sad and unfortunate that Arkansas is depicted by the first lady as a backward state, worthy of ridicule and prejudice," Mr. Dickey said. "It would be much better if the first lady would make a mature and responsible assessment of the situation and not blame us Arkansas for their troubles."

The Republican pollster Ed Goess could not resist joking, saying: "First, it was the right-wing conspiracy. Now it's the chicken-wing conspiracy."

But no one disputes that Mrs. Clinton has swayed a number of Americans, especially women, over to her side in the past eight months. According to a CBS News poll conducted July 19 through July 21, 50 percent of those surveyed said they held a favorable opinion of Mrs. Clinton and 26 percent said they did not. In previous years, only 35 percent or so of Americans had expressed support for Mrs. Clinton.

Some political consultants say that after six years, people are starting to like Mrs. Clinton and her reconfigured role as first lady.

Others point directly at Ms. Lewinsky, and say that the public sympathizes with Mrs. Clinton and that has softened her image in a way that speeches and press releases never could.

"She's the best person they can put out there," Mr. Goess said. "She's kind of

standing by her man, and has been determined to do exactly that. Some people feel sorry for her. Some respect her. It's probably a combination of both."

The Democratic pollster Mark Mellman said, "I think that the first lady has handled this whole set of attacks with grace and intelligence and wit, and people admire that."

There is no doubt that Mrs. Clinton's legal background, and her own experience as a subpoenaed witness before Mr. Starr's Whitewater grand jury, makes her one of the president's most valuable strategists. In fact, she is said to be directly involved in meetings with lawyers and others on the Lewinsky matter.

But the private Mrs. Clinton has remained steadfastly elusive. How does she broach the subject of Ms. Lewinsky with her husband? Do they talk about the infamous dress? Does she advise him on what to say?

The answers are all subject to speculation, but little else.

"I think at best this is an extremely difficult time and I think the president and Mrs. Clinton are probably communicating, in many ways through their lawyer, David Kendall," Dee Dee Myers, Mr. Clinton's former press secretary, said on the ABC news program "This Week."

Another former White House aide said that people still discounted one thing when they looked at Mrs. Clinton's relationship with the president.

"That woman is wild for him," the former aide said. "She is so deeply in love with him."

At a fund-raiser at the home of the

actors Alec Baldwin and Kim Basinger in the Hamptons at the beginning of the month, an ebullient Mrs. Clinton got the crowd fired up for her husband, then gave him a hug before he took the microphone.

Mrs. Clinton's staff said she thrives on her public appearances, especially when she is talking about children's issues, health care and the encroaching millennium. "She believes that if you spend one day pacing around the White House, that's one day you are not doing something to advance the agenda of the president," said Neil Lattimore, Mrs. Clinton's former press secretary.

This year, she approached the Democratic Congressional Campaign Committee and offered to attend a number of fund-raisers for House and Senate candidates, many of them challengers facing uphill battles. She has attended six fund-raisers since June and is expected to attend several more over the next few weeks.

Besides the president, who tends to do more fund-raising for the national party committee, she is in the most demand of any other Democratic official," said Dan Sallick, communications director for the campaign committee.

Lydia Spottswood, a Wisconsin candidate for the House, said Mrs. Clinton's wifely travails had certainly played a hand in her popularity.

"There but for the grace of God," Ms. Spottswood said. "Any woman could find herself with unwelcome rumors. She has dealt with it with so much dignity and grace, it has resonated with people."

ASIA/PACIFIC

China Convicts 'Spies' and Again Angers Taiwan

By Michael Laris
Washington Post Service

BEIJING — A Chinese court convicted four Taiwanese businessmen of spying on Wednesday.

It was the second incident in two weeks and has emerged as a potential roadblock to efforts on both sides to

resume a dialogue across one of the world's most strategically sensitive waters.

The court sentenced one of the men to a four-year prison term but said the other three would be exempted from punishment "for performing meritorious services to the state," according to the official Xinhua press

agency. Xinhua did not describe the "meritorious services" the three men provided, but they are expected to be released.

The Taiwanese press has been critical of their arrest, which occurred in March, and of the murder of a Taiwan politician in China last month. Opposition lawmakers in Taiwan have used both epis-

odes as justification for rejecting the possibility of uniting with China.

Both the convictions and the murder came at a sensitive time as the two sides have taken tentative steps toward resuming talks suspended in 1995 when President Lee Teng-hui of Taiwan visited the United States to speak at his alma mater, Cornell University.

In response to Mr. Lee's journey, China undertook two sets of provocative military exercises during which it shot cruise missiles within miles of the island. The United States responded by sending two aircraft carrier battle groups to the Taiwan Strait.

A Chinese Foreign Ministry official said last month that Taiwan should "face reality" and discuss political reunification in upcoming talks, which both sides say could occur as early as this fall. China made the statement after President Bill Clinton said in Shanghai following his summit meeting with President Jiang Zemin of China that the United States would not support any formal independence bid by Taiwan.

Mr. Clinton also said the United States would withhold its support for Taiwan's efforts to join international bodies for which statehood is a prerequisite.

Last month, in a defense white paper, China reiterated its position that it will attack Taiwan if the island of 21 million people declares independence.

The circumstances of the espionage case remain unclear. Xinhua said that

Kou Jianming, who was given the four-year jail term, and the three other men, Chen Shaoyu, Han Yuefeng and Zhou Changming, "illegally entered the mainland and engaged in political, economic and military espionage between June of 1993 and March of 1998."

In May, Xinhua said the men had "admitted" their crimes.

Taiwan has denied involvement.

In the other case, a Taiwan legislator, Lin Ti-chuan, was killed in northeast China during a botched kidnapping.

Some in Korean Prisons Choose to Stay

Pledge Required for Release Irks Political Captives Who See Link to Past

By Don Kirk
International Herald Tribune

SEOUL — About 20 of the longest-serving political prisoners in South Korea prisons will not walk to freedom with the more than 100 "prisoners of conscience" whom the government plans to release on Saturday, leaders of human rights groups said Wednesday.

Led by 69-year-old Woo Yong Gak, in prison for 40 years, they are refusing to sign a pledge to abide by South Korean laws, according to activists fighting for their unconditional release.

"Prisoners of conscience think it's the same as the old system when they were asked to sign statements of 'conversion' from communism," said Oh Wan Ho, director of Amnesty International in South Korea. "This system does not meet international human rights standards."

The refusal of many prisoners of conscience to sign the pledge poses a major embarrassment for President Kim Dae Jung as he prepares to offer clemency to several thousand prisoners of all types. The clemency, including pardons for about 1,650 prisoners and release on parole for another 2,100, is intended to

contribute to celebrations marking the 50th anniversary on Saturday of the founding of the Republic of Korea.

"When we are granting people amnesty, we are releasing them on the promise they are not going to break the law again," said Yang Jae Taek, spokesman for the Ministry of Justice. "We are going to keep up responsible law enforcement in terms of our national security."

Mr. Yang said 103 political prisoners had signed the pledge, which was not required of other types of prisoners.

For many prisoners of conscience, the requirement that they sign a pledge harks back to the era of quasi-military dictatorship when thousands of political prisoners had to agree to almost a religious "conversion" from belief in communism to support of the government as a prerequisite for freedom.

Mr. Kim, who spent about eight years in prison as a political prisoner under dictatorial regimes in the 1970s and early 1980s, abolished the conversion requirement as one of his first acts after his inauguration in February.

But to critics, the fact that a national security law stringently outlawing any pro-communist activity remains in ef-

fect means that the new pledge is merely a refurbished version of the old one.

"This statement is Kim Dae Jung's idea," said Yu Eun Sook, human rights education officer for the Sarangbang Group for Human Rights, representing a wide range of social causes. "It's because the government does not want to be criticized by the right wing."

Advocates for the unconditional release of the prisoners point out that Mr. Kim included 74 prisoners of conscience in a mass clemency in March without requiring them to sign a document.

At the top of the list of those previously expected to walk out of prison on Saturday was Mr. Woo, sent from North to South Korea after the Korean War and later arrested as a spy. He has contended that he was merely exchanging information between people in the South and the North but has spent most of his life since then in solitary confinement in a tiny cell in Taejeon, about 100 miles (160 kilometers) south of Seoul.

Among those who are likely to leave prison are former military officers involved in the rise to power of Chun Doo Hwan, the military leader who seized power in 1980 and imprisoned Mr. Kim, accusing him of treason.

EUROPE

Hunger and Disease Imperil Kosovo Refugees

By Mike O'Connor
New York Times Service

CIREZ, Yugoslavia — Two large cargo trucks eased through the throngs of refugees in this blocklong village in the mountains of Kosovo.

Stopping at a decrepit, empty building, the drivers unloaded the cargo covers and tossed them to one side. Instantly, dozens of men grabbed the 50-kilogram (110-pound) sacks of flour from the trucks and stacked them against a wall.

The gaunt men, covered with a floury grime, were told to wait for their family's portion.

But international relief officials here said that even if there were enough food in this Tuesday delivery for all the people who have fled war to take refuge in the villages and forests nearby, it would not last long.

They said they did not know when they could come back with more.

Despite what they insist were their best efforts, foreign governments were not able to prevent the Yugoslav government's recent military offensive against ethnic Albanian rebels.

Now, international aid agencies say they are not able to provide for the

refugees. Since the offensive began in late June, with Serbian artillery attacks against villages in areas controlled by the rebels, civilians have emptied large sections of Kosovo.

But relief officials say they still have only a general notion of how many refugees there are or what their physical condition is or even which villages have been evacuated.

"There's a sketchy overview of what's going on," said Mons Nyberg, a spokesman for the UN High Commissioner for Refugees.

"This came on so fast that the international community was unprepared to respond."

"There is no other way to describe it than piecemeal," said an international aid official. "We hear about a group of people — maybe it's thousands of people — we throw some kind of supply convoy together and we take them what we have."

"I am sure we are not doing nearly enough, but since no one knows how many people we're not helping, I can't tell you how much more we should be doing."

At the other end of this village where the flour is stored, at a fly-specked medical clinic with broken windows, dozens

of patients stood in sweltering rooms waiting to see the doctor.

Nearby, water and sanitation experts were inspecting a well. They were from Oxfam, a nonprofit relief organization. The well is being used by refugees crammed into the local school.

The well was adequate for the families who lived here, officials say, but now the water level is dropping fast.

Refugees hauled up the water bucket and passed it around, each drinking from it or pouring water into plastic bottles.

With overcrowded and primitive living conditions, there is increasing fear of epidemics.

Children and the elderly are suffering from intestinal diseases already, doctors from relief agencies said.

The Oxfam experts said that with some effort, they think they can rig up a more reliable and sanitary way to distribute water. But that would be for the 360 people now living in the school.

The best estimates are that 80,000 people have been displaced by the current military offensive, and many of them are nowhere near a well.

Higher up in the mountains, two refugee children whose families are living in the open carried plastic bottles to

a muddy stream where other children were bathing alongside cattle.

About 90 percent of the residents of Kosovo Province in Serbia are ethnic Albanians. The government carried out its most recent offensive to recapture areas taken as the rebels gained support among Kosovo residents.

As government military forces have advanced, homes and sometimes whole villages have been set on fire.

Fear of the Serbs keeps most refugees from going home.

International aid officials say they do not have the staff in Kosovo to respond properly, and most say they do not expect to get much help.

Before the current offensive, the United Nations said there were at least 167,000 refugees in Kosovo. With the estimated 80,000 new refugees, the total is well over 10 percent of the province's population.

"I've got so much work here I'm shattered — I am dead," said Mick Lorenzen, the only staff employee of the UN World Food Program in Kosovo. Mr. Lorenzen said two additional employees had been assigned but have not been granted visas by the Yugoslav government.

With his family living under plastic sheets covered with tree branches to provide camouflage and protection from the sun, Abedin Makolli, 24, said on Tuesday: "We live like primitive people, but we cannot go home because it is too dangerous. We have moved three times since we left home because the army keeps coming. But we cannot go back."

Serbs' Attack Traps Civilians

Backed by heavy artillery, Serbian forces launched a fierce attack Wednesday against a major ethnic Albanian stronghold, trapping thousands of civilians and fighters. The Associated Press reported from Pristina, capital of Kosovo.

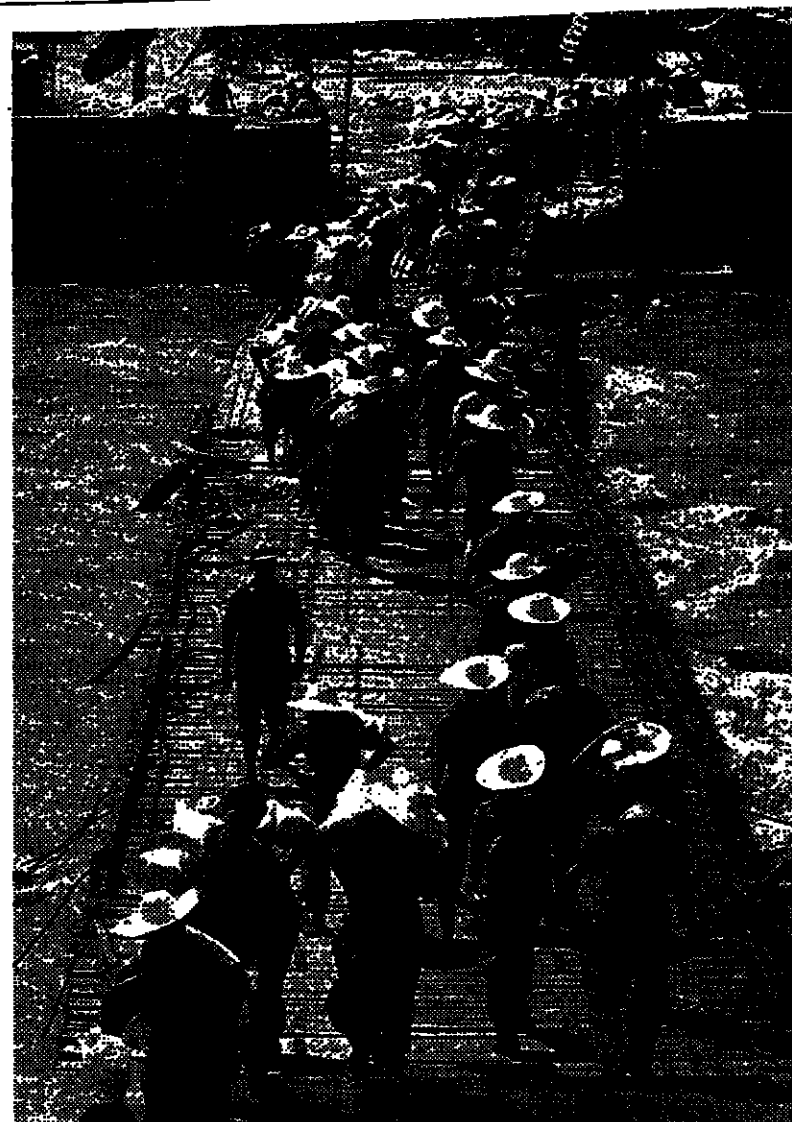
The attack against the village of Junik, near the Albanian border, came after a three-week Serbian siege of one of the main bases for Kosovo Liberation Army, ethnic Albanian sources said.

President Slobodan Milosevic of Yugoslavia has personally guaranteed to European Union envoys that Junik, where about 1,000 guerrillas and as many civilians are believed to be trapped, would not be attacked.

The Kosovo Information Center, close to the Albanian leadership, appealed to the international community to help in forming a safe corridor for the civilians.

Thousands of ethnic Albanians remain on the run in Kosovo, international aid officials warned Wednesday, as Serb forces battled rebels for control of a region near the Albanian border.

BRIEFLY



BATTILING CHINA'S FLOODS — Residents of Jiujiang carrying rocks to load on boats Wednesday. The rocks were being delivered to dikes needing reinforcement against the high waters of the Yangtze.

Coalition in Turmoil In New Zealand

WELLINGTON — New Zealand's 19-month-old center-right government was in turmoil and its future in doubt Wednesday after five ministers from the junior coalition party walked out of a cabinet meeting.

"It is my intention to continue in minority government," Prime Minister Jenny Shipley told reporters after the cabinet meeting failed to resolve differences between her conservative National Party and the nationalist New Zealand First Party of Deputy Prime Minister and Treasurer Winston Peters.

National Party ministers want to sell the government's 66 percent stake in the capital's airport, worth about 100 million New Zealand dollars (\$50 million).

New Zealand First, which campaigned in the 1996 general election against asset sales, opposed the plan and was pressing for assurances that at least 51 percent of the airport would remain in local hands. (Reuters)

Pakistan Asks India For Kashmir Gesture

MUZAFFARABAD, Pakistan — Prime Minister Mian Nawaz Sharif asked India on Wednesday to make a "major and substantive gesture" toward a settlement of the dispute between the two rival neighbors over the Himalayan region of Kashmir.

Mr. Sharif, in a message read at a seminar in Muzaffarabad, capital of the Pakistan-controlled part of the region, proposed that India start by withdrawing a "sizeable portion" of its troops in the area, free Kashmiri

political prisoners, and open talks with Kashmiri leaders and with Pakistan.

India, which is fighting a separatist revolt in the two-thirds of Kashmir it controls, has said it is ready to discuss the problem bilaterally.

Pakistan has sought international mediation on the issue, saying decades of bilateral talks have led nowhere in Kashmir.

Wednesday's seminar in Muzaffarabad marked the 50th anniversary of a UN resolution that had envisioned a plebiscite for predominantly Muslim Kashmiris to decide whether to join Islamic Pakistan or Hindu-majority India. (Reuters)

2 Officers Convicted In Jakarta Shooting

JAKARTA — An Indonesian military court Wednesday found two police officers guilty of disobeying orders by telling their men to fire warning shots into the air during an anti-government university demonstration in May.

Four students were subsequently shot to death at the demonstration at Jakarta's Trisakti University on May 12, sparking widespread riots that helped to topple President Suharto from power nine days later. One of the officers was sentenced to 10 months in jail, the second to a four-month term. (Reuters)

For the Record

Flash floods and mud slides in South Korea have left 391 people dead or missing and caused at least \$312 million in damage, the national disaster agency said in Seoul as rain returned to the southeast. (Reuters)

Kohl Softens on a Coalition As Opposition's Lead Shrinks

Compiled by Our Staff From Dispatches

BONN — Chancellor Helmut Kohl seemed to soften a bit Wednesday on the possibility of his party's joining the main opposition in a "grand coalition" after national elections.

While political analysts have called the scenario increasingly likely in recent weeks, Mr. Kohl, who is seeking a fifth term, has until now categorically ruled out participating in such a coalition after the Sept. 27 vote.

But on Wednesday he said for the first time that he would step down as a Christian Democratic party chief if he lost, clearing the way for his parliamentary faction leader, Wolfgang Schauble, to take the reins.

And instead of saying a "grand coalition" was out of the question, he said he did not think his Social Democratic challenger, Gerhard Schröder, would reach a position to negotiate such a partnership.

Mr. Schröder, who has a slim lead in the polls, has said he would turn to his own center-right coalition in the final weeks, and he promised a 30 billion mark (\$17 billion) tax cut to combat unemployment if reelected.

"We're on a good path," Mr. Kohl said at a news conference to present the final planks — on economics and immigration — in his campaign platform. Promising "security, dependability and stability," Mr. Kohl said his government would again take up proposals to lower tax rates immediately after the election.

Mr. Kohl maintains that such a reform would improve Germany's business climate and aid in fighting unemployment, the core issue in this year's election campaign.

Mr. Schröder has sought to steer his party toward a "new center," even suggesting last week he could work with the Christian Democrats on tax reform after the election.

With seven weeks left before the general election, pollsters said on Wednesday that the likelihood of a grand coalition was growing as the opposition's lead in polls diminished.

Fewer German voters expect that the elections will bring a change of government, according to the latest polls. This sentiment is supported by a drop in support for Mr. Schröder.

In July the number of German voters who expected the Social Democrats to win the election sunk to less than half from nearly two-thirds in June, according to findings by the Allensbach Institute, which were published in the Frankfurter Allgemeine Zeitung. The poll has a margin of error of 2.5 percent.

But the survey still put support for Mr. Kohl's ruling Christian Democrats more than 10 points behind Mr. Schröder's Social Democrats. The number of Germans expecting the economy to improve has meanwhile outnumbered those expecting it to get worse for the first time in three years.

Thirty-one percent of those polled said they expected the economy to improve in the next six months, while 26 percent said it would get worse. In July pessimists had outnumbered optimists by 30 percent to 28 percent, with the remainder undecided. (AP, Reuters)

BRIEFLY

Britain Declares War on Mink

LONDON — A killing frenzy swept Britain after animal rights activists freed 6,000 mink from a fur farm.

Farmers with guns, housewives with shovels, children with dustbins — any weapon that comes to hand — have been scouring the southern England countryside, saying the animals pose a threat to humans and wildlife.

Some 4,000 mink have been nabbed so far. The Animal Liberation Front claimed responsibility for freeing the mink, but daily reports of pets being slaughtered by the mink have hampered the animal rights cause. (AFP)

Russian Grain Projections Fall

MOSCOW — Russia will not import foreign grain this year, despite a severe summer drought that has damaged one-third of its crop, officials said Wednesday.

Grain yields in 1998 are estimated to total between 62 million and 67 million metric tons, the Itar-Tass news agency quoted the minister of food and agriculture, Viktor Semenov, as saying. The estimate was lower than the 70 million tons predicted just two weeks ago.

The deputy prime minister, Boris Nemtsov, was quoted as saying that Russia will nonetheless be able to avoid making emergency grain purchases abroad. (AP)

Mir Readied for Docking

MOSCOW — Cosmonauts decoupled a cargo ship Wednesday to prepare the space station Mir for docking with a

manned ship, the Soyuz, which is scheduled to arrive in three days.

The Soyuz will carry a three-man crew, including Yuri Baturin, a politician and former presidential adviser; the flight commander, Sergei Avdeyev, and Gennadi Padalka, an engineer. It will approach the Mir on Saturday, but may encounter problems with the station's docking system, known as Kurs, which has malfunctioned in recent days.

Kurs appeared to be operational again on Tuesday and Wednesday, said a Mission Control spokesman.

If Kurs fails, Mr. Avdeyev, the Soyuz flight commander, can dock the ship manually, but the procedure is more complicated. (AP)

In France, Cohabitation Wrinkles

PARIS — The French prime minister's office is being bombarded by postcards protesting a draft law that critics say is a smokescreen for gay marriages.

The Socialist-sponsored legislation would allow any couple living together, whether gay or heterosexual, to enjoy most of the social and fiscal rights currently granted to married people. Despite its Catholic past, France has more than 2 million unmarried couples who would benefit from the change in status.

The postcards were printed by an ultraconservative group called The Future of Culture, which branded the plan as "an extremist ideological project that aims to destroy the family, the foundation of French society."

In addition, thousands of French mayors have signed a petition saying they are worried about being asked to officiate at gay marriages. (Reuters)

Italy Grapples With Restrictions on Immigration

Reuters

ROME — Italy began releasing illegal immigrants from detention centers on Wednesday after failing to identify them for repatriation, but ministers played down fears they would head straight for other parts of Europe.

More than 50 immigrants in the Sicilian town of Trapani were freed after a month in a detention center and given an unsupervised two weeks to leave Italy — the first of hundreds of clandestini expected to be released in coming days.

The media have spoken of a state-sanctioned "great escape" of some 600 immigrants over the coming days. But officials insisted there was no cause for alarm, saying a large number of the approximately 3,000 immigrants who have flooded Italy's southern shores since a new law took force last month had

already been identified and would be expelled.

The minister of interior, Giorgio Napolitano, said on Tuesday that more than 500 immigrants of some 1,000 presumed Moroccan or Tunisian citizens currently held in Sicilian centers had been identified by Tunisian authorities. It is "not true," he said, that 600 or 1,000 illegal immigrants are about to be released.

Under the new law, in force for just over a month, immigrants are held in detention centers for 30 days and are sent home as soon as they are identified. Those who are not identified are freed after a month but ordered to leave.

Critics charge that despite the center-left government's promises to get tough on illegal immigration, the new law allows "clandestini" to vanish easily in other parts of the European Union.

Most who have arrived recently are from North

Africa — tantalizingly close to southern Italy — but others from Turkey, Iraq, Albania, Sri Lanka and Pakistan have also been detained.

In July 2,513 people arrived in Sicily from North Africa. In the last eight days there were only 154, Mr. Napolitano said. "The arrivals are decreasing, there's no need for alarmism."

Opposition politicians have slammed the way the government has handled the crisis, calling for illegal immigrants to be tattooed to identify them or to be held in centers for longer periods to give authorities more time to deal with them.

Criticism has even come from supporters of Prime Minister Romano Prodi. Giorgio La Malfa, head of the Republican Party, has said that Italy's failure to control immigration could threaten the 10-nation Schengen pact.

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INTERNATIONAL

Albania-CIA Intrigue Suggests Possible Link to Embassy Bombings

By R. Jeffrey Smith
Washington Post Service

TIRANA, Albania — A raid conducted in late June by security personnel from the United States and Albania against an alleged cell of an Islamic terrorist organization evidently went off like clockwork. Two suspected employees of the wealthy Saudi expatriate Osama bin Laden were arrested in Tirana by the Albanians, and the Americans who were present took custody of a vanload of documents and computer gear.

But a serious problem cropped up almost immediately afterward. The euphoric Albanians leaked a sketchy account of the raid, including an accurate

statement about the CIA's prominent role in its planning, to the largest-circulation Albanian newspaper. By the time a second raid was conducted two weeks later, in which two more suspects were arrested, any hope of keeping Washington's fingerprints off the operation had died.

The coincidence of this sequence of events and last Friday's bombings of the U.S. embassies in Kenya and Tanzania has provoked officials in Tirana and Washington to begin probing whether the attacks might have been revenge by Mr. bin Laden's organization for the CIA's role in the arrest of four of its alleged members in Tirana.

The gravity of the inquiry is demonstrated by the fact that several senior

U.S. intelligence officials have quietly visited Tirana in the past several days to pursue the matter, according to local sources.

One reason for Washington's interest is that several Arab newspapers considered close to Islamic radicals had complained before the bombings that the suspects, who are all Egyptian nationals, were taken out of Albania by the CIA and subsequently turned over to anti-terrorist officials in Egypt.

Officials note that Mr. bin Laden, who reportedly now resides in Afghanistan, has not claimed responsibility for organizing the bombings. But he was quoted in July by one newspaper as saying that U.S. decision-makers needed to be taught a lesson not to battle "the

Islamic nation." Several independent Western security experts also say they suspect Mr. bin Laden may have struck an alliance with Islamic militants linked to the Egyptian-based Jihad group, which had faxed a statement to news organizations before the bombings specifically threatening retaliation for the four arrests.

The publicity has cast an unusual spotlight on the CIA-Albanian operation, which was meant to undercut the use of this economically poor and generally lawless country as a safe haven and a base of operations by Mr. bin Laden's alleged accomplices. The State Department has previously described Mr. bin Laden, a former construction magnate, as "one of the most significant sponsors of Sunni Islamic terrorist groups" and accused him of establishing terrorist cells in Bosnia, Chechnya, Somalia, Sudan, Yemen and Tajikistan. But it has not yet drawn any public link to activities in Albania.

During the early 1990s, some Albanian government officials established close ties with radical Muslims, but

more recently the official policy has been to oppose the establishment of such groups, a U.S. official said.

Roughly 65 percent of Albania's 3 million or so citizens are Muslim, but most do not adhere to strict Islamic religious and social guidelines, according to officials.

The ease with which Albania could be penetrated was demonstrated by the fact that each of the four men arrested entered the country without proper documents and worked and traveled widely in Albania, several local sources confirmed. At least one, Ahmed Ibrahim Nagar, 35, was wanted by the Egyptian government on charges of involvement in a previous terrorist attack.

At the home of another man, Maged Mostafa, a 36-year-old religious scholar, security officials found a bag of faked documents and official Albanian government stamps needed to get past customs and police checkpoints, certify legal documents and otherwise circumvent an already shaky government security apparatus, the sources said.

Many other details of their activities in Albania, including how and why they first came to the CIA's attention, remain shrouded in mystery. But at least three of those arrested once were associated with an independent Islamic charitable organization that official sources in Tirana say provided a useful cover for the men's alleged efforts on behalf of Mr. bin Laden.

The organization, the Islamic Revival Foundation, aids poor Muslim families and orphans in Albania, said employees interviewed at two central offices in apartment buildings in this city. But the foundation is also closely linked with several other Islamic charitable and educational organizations located in Tirana and other Albanian cities, and it obtains all its funds from the same source they do: a group known as the Kuwait Joint Relief Committee.

"I don't believe these accusations," said Mohammed Abdul-Kerem, who directs the group's aid to orphans. He suggested that the United States is powerful enough to have fabricated evidence against the group's members.

Kenyans Begin to Fault Americans

Some Criticize U.S. Marines for Sealing Embassy After Bomb Blast

By Raymond Bonner
New York Times Service

NAIROBI — Trembling and choking back tears, the American ambassador, Prudence Bushnell, scattered red roses on rubble during a memorial ceremony late this afternoon for the victims of the bombing of the U.S. Embassy.

Men and women of the international rescue units stood silently in a three-sided square to pay their respects at the site where they had been laboring through tons of wreckage around the clock for the last six days. The Israeli rescue workers were in olive drab uniforms, French and Americans in blue jumpsuits, Kenyan soldiers in camouflage green.

On the day when the search and rescue phase of the episode ended, Kenyan criticism of the United States response mounted. Newspaper editorials and some people on the street criticized Americans for being overly concerned about their own and insensitive to Kenyans.

Less than two hours after the ceremony, Ambassador Bushnell, who had stitches removed from her lip Wednesday, appeared on Kenyan news programs to answer the charges.

"We were shedding blood. Blood was blood," Ambassador Bushnell said in an interview taped this morning. "We were rescuing people. People are people. There was no discrimination between race, religion or ethnic group. We were trying to get as many people out as we possibly could."

She added, "The fact that there is anger is very, very understandable." Some of the Kenyan anger appears to reflect a lack of understanding about the mission of U.S. Marines in protecting the embassy, as well as pent-up anger over Washington's criticisms of the Kenyan government's corruption and the absence of a liberal democracy.

The total of deaths from the blast stands at 247, the Kenyan government said on Wednesday. That total includes 12 Americans and 24 Kenyan employees who were inside the embassy.

The FBI refused to say anything about the progress of its investigation into the bombing.

Many Kenyans feel the Kenyan casualty list would have been shorter if the Americans had been as concerned about them as they were about protecting American lives and protecting the embassy.

"We did not see them first of all saving lives," said Charity Njiru, a leader of the opposition Social Democratic Party and presidential candidate in last December's election. "They were more concerned with their building and property."

An editorial cartoon in the Nation, the country's most widely read newspaper, shows two beefy men in Marine Corps battle gear pointing their rifles at a badly wounded Kenyan, wearing a Chicago Bulls T-shirt, who is missing his left leg and right arm. "We can't take you for some security reasons," barks one Marine. Behind him, a white man is being carried on a stretcher to a plane with the American flag and label "American Rescue Force 1" on the fuselage.

"The ugly side of Americans," read the headline on an editorial in the Standard, the country's second-largest daily. The editorial called the Marines guarding the embassy "heavy-handed," "insensitive," and "looking more suited to a Rambo movie than the bread and butter role of a guard in a city center."

It is almost impossible to judge how deep the resentment runs beyond the country's leaders and the elite. On the streets, conflicting sentiments are voiced.

Much of the anger expressed by ordinary Kenyans arises out of the refusal of the U.S. Marines to allow anyone into the embassy after the blast. Many Kenyans who gathered outside the embassy wanted to rush in and begin digging through the rubble for victims.

They appeared not to understand that the Marines' role was to protect the embassy's documents and that no one would be allowed into the building until a professional rescue team arrived and it was determined that building was safe.

"The last thing we wanted was for good Samaritans to lose their lives in our building," Ambassador Bushnell said in her interview with Kenyan television.

Marine Brigadier General Steve Johnson, commander of the joint task force sent in response to the bombing, defended the Marines.

"These Marines did exactly what they're required to do," General Johnson said at the memorial ceremony Wednesday afternoon. "Their mission was to protect the United States mission."

General Johnson said he understood the Kenyan criticism. "Everyone here is distraught." Israelis working on the rescue effort also commended the Americans.

"It's been distorted out of proportion," Russell Pitts, 39, from Tel Aviv, said about the criticism of the Americans. "As soon as the Fairfax unit got here, they wanted to go up on the hill," he said.

The American rescue effort was led by the Fairfax County, Virginia, fire department's search and rescue specialists. The "hill" was the pile of masonry that had once been the Ufundi House.

Four white poles were erected there today, and the flags of Kenya, Israel, France and the United States flew at half-mast.

Appeal for Funds

International Herald Tribune

The Kenya Society in London has issued an appeal for contributions to aid victims of the terrorist attack on the U.S. Embassy in Nairobi last week.

The fund will be administered with the Kenya High Commission in London and will be linked with a national disaster fund in Kenya to assist survivors of the blast and the families of the more than 220 people who were killed. Contributions can be sent to the Nairobi Bomb Appeal, in care of the Royal Bank of Scotland, 24 Grosvenor Place, London SW1 7HP, England.

NAIROBI: The Toughest Cases

Continued from Page 1

government in Tanzania earlier this week, but those arrests appear unpromising. And there are many reasons not to expect swift justice under U.S. law.

No one may ever know if last week's bombings were supported by a state like Iraq, an intelligence service like Iran's, or an individual like the exiled Saudi financier Osama bin Laden. Mr. bin Laden has hailed such attacks in the past, financed terrorist groups from Egypt to Algeria to Afghanistan, and sought to unify them under his banner, according to intelligence officials. "This in all likelihood was not state-supported, and if it's not, 'Terror Inc.' is beginning to creep in," Mr. Bearden said.

Tracking a trail from the rubble of the embassies to a command center in Baghdad, a clandestine cell in Tehran or a terrorist training camp in Afghanistan is a long haul. Operating abroad, the FBI is on strange turf, searching for clues in unfamiliar terrain, seeking help from local officials who are sometimes unhelpful. On overseas investigations, the FBI and the CIA must work together, but they only recently began cooperating after decades of mistrust, intelligence and law-enforcement veterans say.

The CIA has few reliable sources inside international terrorist networks. And those networks are by nature almost impossible to unravel. The chain of command in a sophisticated terrorist group connects the intellectual author of the terror to the attackers who carry out his will. But that chain has many links.

So locating a bomber or his car may lead nowhere. The search sometimes never ends; the CIA is still looking for the assassins who killed Richard Welch, its Athens station chief, in 1975. No one has ever been arrested by American authorities in the Beirut bombings, which killed 255 people, or in the bombings of two military posts in Saudi Arabia in 1995 and 1996, which killed 26 American military personnel.

But those cases provide lessons for the investigators in Nairobi and Dar es Salaam. The investigation of the bombing in Dhahran, Saudi Arabia, which killed 19 airmen, is at a dead end. The FBI and the Saudi intelligence service would not share information. The bureau, which had never conducted an investigation in the kingdom, said the Saudis were uncooperative. The Saudis said the bureau was high-handed. "You can never catch the bad guys without the help of your friendly local foreign security and intelligence services," Mr. Bearden said.

The Beirut embassy explosion damaged the CIA's ability to understand, infiltrate and nullify terrorism. The bomb destroyed the agency's Beirut station, killing seven CIA officers, among them Robert Ames, the agency's top Mideast analyst. He had served as the chief of the CIA's clandestine service in the Arab world and as a covert operator in Iran, Lebanon, Kuwait and Yemen. Ten years before the Beirut bombing, he had won the trust of Ali Hassan Salameh, the security chief of Al Fatah, then one of the world's most feared terrorist organizations. Mr. Salameh provided the CIA with advance warning of the assassination plots of radical Palestinian groups and helped the agency win agents inside Islamic political and guerrilla organizations, according to former intelligence officials. In 1979, he was killed by a car bomb, probably by the Mossad, Israel's foreign intelligence service.



ISRAELI SET-TOO — An Israeli policeman clubbing an Orthodox Jew in Jerusalem on Wednesday. Orthodox Jews are protesting a new highway because of ancient bones that have been uncovered.

BURMA: Another Round of Tug-of-War

Continued from Page 1

of Rangoon, heading toward the town of Bessien. With her in her car were two drivers and a senior member of her party.

The Burmese government said in a statement Wednesday that it "regrets that security conditions in Ayeyarwady division make it unsafe for Ms. Suu Kyi to travel there at this time, but the government encourages Ms. Suu Kyi to return home and continue her political activities in a more secure environment in Yangon." The ruling junta has renamed the country Myanmar and the capital Yangon.

Earlier, the government voiced concern for Daw Aung San Suu Kyi's safety even in the city. Last weekend, at her demand, it removed the security detail that has guarded her compound since her release in mid-1995 from six years of house arrest.

She had initially requested the protection. Now, the government said, it cannot be held responsible for anything that might happen to her.

The military government, for its part, can point to few accomplishments during its decade of rule since the country's long-time strongman, U Ne Win, stepped into the background. It appears to have quieted the ethnic insurgencies that challenged the central government for years. But it has failed to revive the economy of one of the world's poorest nations, or to win the support either of its people or of most foreign powers.

Nevertheless, there is no sign at the moment of the unrest among students and monks that exploded into street protests, and then into military violence, in August 1988.

Since a round of demonstrations in December 1996, the country has been largely calm. The political standoff is being played out in small, tense gestures. Among them was the arrest Sunday of 18

foreign demonstrators who handed out anti-government leaflets in Rangoon. The demonstrators remained in detention Wednesday as their home governments demanded their release. The local authorities said they were trying to decide whether to put them on trial or expel them.

The detainees included six Americans, three Thais, three Malaysians, three Indonesians, two Filipinos and one Australian.

U.S. Company Withdraws

After sinking \$50 million into a controversial project off the coast of Burma, Atlantic Richfield Co. said it was withdrawing from the troubled country but denied that it was caving in to international pressure to punish the increasingly belligerent military regime, the Los Angeles Times reported Wednesday.

Colombia General Denies Role as a Paid CIA Source

By Douglas Farah
Washington Post Service

WASHINGTON — The Colombian general Ivan Ramirez Quintana, accused by U.S. officials of protecting rightist paramilitary death squads, said he was ending his military career but angrily denied he was a paid informant for the Central Intelligence Agency.

In a telephone call to The Washington Post, and in a radio interview broadcast in Bogotá, General Ramirez on Tuesday called a Washington Post story linking him to the paramilitary organizations while on the CIA's payroll in the late 1980s and early 1990s "defamatory."

In the telephone call, General Ramirez said he was retiring but not because of the story. The newly elected Colombian president, Andres Pastrana, dismissed the military high command Sunday and named new leaders. People who visited General Ramirez's office said he was packing boxes with personal belongings, but an army spokesman said the general had not submitted his resignation.

General Ramirez said he had worked with every CIA station chief at the U.S. Embassy in Bogotá since 1988 but was not a paid informant. U.S. officials said that General Ramirez had been a CIA informant but that the agency severed relations with him in 1995 because of evidence he was engaged in protecting paramilitary organizations.

General Ramirez was a key figure in military intelligence in the past 15 years in Colombia, where the military has been battling a Marxist insurgency for nearly four decades. His U.S. visa was revoked in May for alleged "terrorist" activities in relation to paramilitary groups, but he denied any ties to the organizations.

IRAQ: Long-Term Monitoring by UN Threatened, 2 Inspectors Say

Continued from Page 1

have resulted in the discontinuation of implementation of a joint program of inspection of Iraq sites," Mr. Baradei wrote. He said the sites "are deemed to have capabilities suitable for conducting work on some aspect of weapons of mass destruction."

Mr. Butler wrote in his letter that Iraq was now limiting monitoring activities to only those sites previously designated by Iraq and the UN Special Commission.

"This denies the right of the commission to inspect additional, non-declared sites, where the capabilities for conducting proscribed or monitorable activities may exist," Mr. Butler wrote. "Such conditions significantly reduce the effectiveness of monitoring."

David Albright, president of the Institute for Science and International Security in Washington and a former International Atomic Energy Agency expert who has worked in Iraq, said Wednesday that he was "a little surprised" that this Iraqi action happened so quickly.

"Clearly they want to weaken the inspection effort," he said. "It's quite serious if the Iraqis do not roll this one back."

Arms control experts say that it is important that the Security Council, and above all the United States, act firmly and soon if Iraq is to be deterred from further undoing disarmament requirements.

At the Wisconsin Project in Washington, Mr. Milhollin said that Iraq had made a cynical judgment that the United States is not willing to force Iraq to accept meaningful inspections.

From the response so far of the Clinton administration, he said, "Iraq appears to be correct."

"The entire history of these inspections shows that unless the United States actively backs the inspection teams with the threat of force, that Iraq will not comply," Mr. Milhollin said.

Members of the Security Council appeared today to be taking a cautious approach to the new challenge. Some diplomats believe that Mr. Saddam is only making the situation worse for himself by alienating his supporters.

Iraq must be satisfied free of nuclear, biological, chemical and prohibited missile programs or the means to restart them in order to have the embargo on Iraqi oil sales lifted. The lifting of that embargo has been the focus of Iraq's single-minded campaign.

But as Iraqi violations of council resolutions and the agreement signed with Secretary-General Kofi Annan in February mount, chances of sanctions being lifted in October during the next review faded significantly.

On the other hand, Iraq has always responded to threats, most of all military threats, and there are none this time. In the absence of warnings of retaliation, the Iraqis have been steadily rolling back the UN restrictions. Some experts say that it will be harder to turn back the Iraqi efforts as time goes by.

TALEBAN: A Time of Decision in Afghanistan's Cruel Struggle

Continued from Page 1

omy. But with the apparent triumph of the Taleban, history may record that the Communists achieved exactly the opposite of what they promised.

Their efforts to force compliance with their program, especially in the arch-conservative world of the Afghan village, triggered a civil war that drew in Soviet forces in December 1979.

In turn, this prompted the White House, under Jimmy Carter and later Ronald Reagan, to commit the United States to backing the Afghan mujahidin, the self-styled Muslim holy warriors who eventually drove out the Russians in February 1989.

The American effort, backed by other Western countries and by Saudi Arabia, turned Afghanistan into the climactic confrontation of the Cold War.

By the time the Kremlin withdrew its forces, the Soviet Union was barely three and a half years away from collapse. But Afghanistan was virtually obliterated as a functioning state, with thousands of its villages in rubble, at

least a million of its people dead, and another 5 million living abroad as refugees, mostly in Iran and Pakistan.

When the Taleban first appeared, in 1995, many in the West were dismayed. But to many Afghans, the rise of a movement rooted in the ancient ways of the Afghan village, with its insistence on strict forms of purdah for women and summary executions, or amputations, for adulterers, blasphemers and thieves, seemed like an inevitable consequence of a conflict in which modern weapons, poured in with scant consideration for the catastrophe they wrought on the civilian population, had reduced an ancient society to rubble.

With many of the attributes of modern civilization destroyed — schools, hospitals, factories, highways — the way was cleared for a band of simple village men, originally mostly semiliterate Muslim clerics, to offer their own brand of salvation, in the form of a return to a form of medievalism.

While educated Afghans generally recoiled, many others in a country that is overwhelmingly rural found little to object

to in the Taleban's social strictures.

To the villagers, and to many city-dwellers, too, what mattered most was that the Taleban held out the prospect of ending a civil war in which most of the factions had long since ceased to have any definable goal, other than personal power.

In the immediate future, and possibly for much longer, the Taleban seem likely to be faced with continuing resistance from the two remaining opposition forces, the Hezbe-i-Wahdat of Abdul Khalili in the reborn of Bamian, and the Jamaat-Islami of Ahmed Shah Massoud in the Panjshir Valley.

For the Taleban, military ascendancy may prove to be only half the battle. Bolstered by their victories in recent days, Taleban spokesmen have renewed demands for international recognition of their government in Kabul, the Afghan capital.

So far, two years after Kabul fell to Taleban forces, only Pakistan, Saudi Arabia and the United Arab Emirates, out of more than 180 nations worldwide, have recognized the Taleban.

Abiola's Death Due To Natural Causes

OTTAWA — The July 11 death of the Nigerian opposition leader, Moshood Abiola, was due to natural causes, an international medical team confirmed Wednesday.

But Chief Abiola's lengthy imprisonment could have added to the hypertension problems that contributed to his death, suggested Dr. James Young, chief coroner for Ontario and a member of the international team.

The team's findings showed that Chief Abiola suffered from "severe long-standing disease of the heart of a type and severity that can cause sudden unexpected death." (AFP)

Tensions Heighten In Border Standoff

LIMA — Tensions between Peru and Ecuador increased Tuesday after Peru refused to resume talks to end a border standoff until Ecuador withdraws troops from a disputed zone.

Ecuador maintained its troops are not in Peruvian territory and refused to remove them.

Foreign Minister Eduardo Ferrero of Peru made the announcement in response to the inauguration speech of the new Ecuadorian president, Jamil Mahuad, in Quito on Monday. Mr. Mahuad called on President Alberto

Fujimori of Peru to meet with him to reach a peace agreement. (AP)

King Fahd Is Well After 2d Operation

RIYADH — King Fahd of Saudi Arabia underwent a successful operation Wednesday to remove his inflamed gallbladder and is in "excellent health," according to a statement by the royal palace read on television.

The operation, the second in 10 days, was carried out by an American surgeon, Dr. Ted Pappas, aided by a Saudi surgical team in the King Fahd Specialist Hospital here, the nation's best medical facility. (AFP)

Train Bomb Kills 7

ALGIERS — A bomb exploded on an Algerian passenger train Wednesday, killing seven people and wounding 11, the Algerian government security forces said.

The bomb exploded as the train was passing through Ain Torki in Ain Delila province, 130 kilometers (80 miles) southwest of Algiers, the security forces said.

They blamed "terrorists" — the government shorthand for Muslim rebels. The security forces added in a statement carried by the official Algerian news agency, APS, that troops had launched an intensive manhunt to track the perpetrators. (Reuters)

البحر الأحمر

EDITORIALS/OPINION

Herald Tribune

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Giving Up on Iraq

These first days of August have brought a disquieting retreat by the Clinton administration on Iraq. Without saying as much, the White House seems on the verge of altering seven years of U.S. policy by letting Saddam Hussein slip free of the international effort to prevent him from developing a new arsenal of biological and chemical weapons. That would be a grave mistake.

The change of tone and direction has been striking in the week since Saddam ended Iraqi cooperation with United Nations weapons inspectors, breaking the agreement he reached earlier this year with UN Secretary-General Kofi Annan. Instead of warning Saddam that his resistance was no more acceptable now than it was before, and would be met with military force if necessary, the administration has deliberately downplayed the defiance.

Mr. Annan, for his part, has urged the Security Council to review the inspection system and accompanying economic sanctions that have been in place since the end of the Gulf War in 1991. This is just the kind of equivocating performance that Saddam has been hoping to provoke. A relaxation of sanctions and reliance on less intrusive inspections might be in order if Iraq had complied with the Security Council requirement that it dismantle all weapons of mass destruction and make no effort to rebuild them. But Iraq has resisted inspection at every turn, leav-

ing inspectors convinced that it retains the ambition and means to develop biological and chemical weapons.

Saddam has repeatedly demonstrated his willingness to attack his neighbors, even his countrymen. Allowing him to replenish his stockpile of biological and chemical weapons would threaten the Gulf region and its oil fields, as well as Israel. Few developments would so directly endanger U.S. security interests.

There should be no illusions in Washington about the difficulty of keeping Saddam in check. The Security Council is wobbly, with Russia and France eager to ease inspections and sanctions. Mr. Annan's resolve seems in doubt. Many Americans question the need to maintain pressure on Baghdad and would oppose the use of force.

But the threat is too great to give ground to Saddam. The cost to the world and to America of dealing with a belligerent Iraq armed with biological weapons would be far greater than the cost of preventing it from rearming.

Without a clear and consistent message from Washington that it is prepared to enforce the inspection system, Iraq's weapons programs cannot be reliably contained. Unless Mr. Annan insists that Baghdad fully honor its agreement with him, increasingly bold Iraqi challenges to UN authority are certain to come.

—THE NEW YORK TIMES

Olympics and Drugs

The drug scandals rocking the world of international sports have confronted the Olympic movement with a much larger credibility problem than its leaders seem to realize. Although the Olympic Games no longer represent the ideal of amateurism, they still embody ideals of fair play and honest competition. Yet drugs have put even those simple values at risk. Why in the world would anyone, much less hundreds of millions of people, choose to watch a competition in which the race goes not to the swift but to the chemically enhanced?

This has been a drug-ridden summer in sports. The legendary Tour de France nearly collapsed in embarrassment when the world's best cycling team, Festina, were suspended for using performance-enhancing drugs. The International Amateur Athletic Federation announced that two of America's top athletes, the sprinter Dennis Mitchell and the 1996 Olympic shot put champion, Randy Barnes, had tested positive for illegal substances, and suspended both. Then, last Thursday, Michelle Smith-De Bruin, the Irish swimmer who captured hearts and three gold medals at the 1996 Summer Olympics, was charged with manipulating a drug test and banned from further competition.

Reporters who cover sports say there is already so much cynicism among the athletes that anyone who sets a new world record is immediately suspected of doping. So far that cynicism has not spread to the public, but it will surely do so unless the authorities move quickly to develop a more credible and comprehensive system of testing and punishment. To be fair, the International Olympic Committee does a far more effective job of policing drug use than other athletic bodies. But, given its responsibility for one of the world's

premier sports events, it must do even better. The first order of business is to change attitudes at the top.

Juan Antonio Samaranch, the IOC's president, has convened a board meeting in Lausanne on Aug. 20 to prepare for a doping "summit" next January. But Mr. Samaranch's own commitment to the cause is suspect. He recently suggested to the Spanish daily El Mundo that performance-enhancing drugs should be permitted unless they pose a threat to the athletes that use them, a bizarre statement that shocked many of his colleagues.

Second, the IOC must be ready to spend serious money on the problem. The IOC and others have agreed to put \$2 million into new research, but experts say more will be needed to develop tests as sophisticated as the drugs they are meant to detect. During the Tour de France scandal, experts noted that there were no reliable tests to detect the substance at the heart of the scandal — EPO, a synthetic hormone that increases aerobic capacity.

Third, the IOC must bring other governing bodies into line. The international federations that govern three Olympic sports — cycling, volleyball and tennis — do not even participate in the IOC's testing program. It is also common knowledge that some national Olympic committees are far more vigilant than others. Dick Schultz, an American Olympic official, put the matter well in a recent interview: "There is a morass out there that needs to be reviewed to determine what is performance-enhancing and what is not. I don't think there's any question that the drug guys who are trying to beat the system are ahead of the police."

The next Games are two years away. That is not a lot of time for Mr. Samaranch to get ahead of the gurus.

—THE NEW YORK TIMES

Other Comment

Prescribe a Bridge to Cuba

When a hoary foreign policy like Washington's economic embargo of Cuba stymies developments that could help sick Americans, then surely the time has come to review its status and cast a cold eye on the political clout of the anti-Castro machine in Congress.

The issue this time turns on a breakthrough in arresting an epidemic of deadly group B meningitis, a medical achievement of Cuba's very active and understated medical research community. That development has value for victims anywhere, and Smith-Kline Beecham, a pharmaceutical giant, has asked the Clinton administration to waive the no-trade embargo to permit trials of the Cuban-made vaccine, which has virtually wiped out group B meningitis in the island nation.

Washington imposed the embargo after Fidel Castro came to power and declared the country a Communist state, becoming a spearhead for Soviet

communism in the Americas. The trade ban may have made sense four decades ago, when a strong Cuba could present a threat. Those were the years when the island joined an avant-garde of leftist-led nations dedicated to world power. But that power was never achieved. Cuba was smothered by the embargo and forced by the collapse of the Soviet bloc to fend for itself.

The island's remarkable medical developments grew out of an imposed self-reliance. Its scientists have built a little known but sophisticated biotechnology field, a success that has now drawn the attention of industry leaders. The Treasury Department should issue a waiver to allow Smith-Kline to test the vaccine. A humanitarian bridge can be constructed on this development. With Castroism likely to pass with its founder, Washington should give hard thought to building a new foundation for connections. What better opportunity than this?

—Los Angeles Times

How East Asians Are Finding Fault With the IMF

By Ramesh Thakur

TOKYO — In the past year, the IMF has been prescribing medicine to cure East Asia's financial and economic ills. The medicine has been particularly harsh in the three countries worst affected by the crisis — Indonesia, Thailand and South Korea. They are getting more than \$120 billion in emergency loans arranged by the IMF, but only on condition that they carry out agreed reforms.

The IMF's approach has been criticized on five counts.

- It turned out to be a bailout of international creditors rather than of afflicted countries. The burden of adjustment fell heavily on local institutions and people. Foreign creditors were rescued from the market consequences of persistent miscalculation of risk and misallocation of resources.

The real "moral hazard" lay in bailing out the perpetrators of the problem while putting many innocent bystanders out of work and into poverty through tough fiscal and monetary policies.

These policies were excessively contractionary. The IMF called for higher interest rates, price stability, government spending cuts, and no bailout of troubled firms. Companies and banks collapsed under the weight of the deflationary fiscal and monetary policies.

The austerity measures deepened self-fulfilling investor panic instead of easing it. They also turned what had originally been sound investment pro-

jects into problematic ones by feeding the cycle of self-sustaining decline in asset prices.

The doctrinaire squeeze on central bank credit and budget deficits was based on the diagnosis of the ailment that had afflicted Latin America a decade earlier — government profligacy. Its main symptoms were high budget deficits and public sector debts.

Yet in East Asia in 1997, monetary policies were sound, budgets were in surplus, current account deficits were under 5 percent of GDP (except for Thailand), and savings rates were high. The main problem was crony capitalism, not crony socialism — private, not public, sector debt; misallocated investment; not excessive consumption or inadequate saving; and a crisis of confidence amid sound economic fundamentals.

Asia required counter-recessionary policies and selective aid to local financial institutions to minimize economic slowdown and restore confidence. Many East Asian economies have either slid into recession or are slowing sharply.

As the currency collapse across the region outstripped the economic remedies prescribed by the IMF, government and popular faith in the Fund was greatly eroded. Many Asians concluded

that the crisis had worsened because of, not despite, the bailout packages.

IMF policies are seen as an attack on economic sovereignty. Governments fear that allowing foreign companies uncontrolled equity ownership and market access will lead to the takeover of local enterprises and the domination of national economies by foreign firms.

The "Asian" growth model produced prosperity through a state-influenced system of close cooperation between government, banks and industry acting together in a nation-building enterprise. Successive U.S. governments tried to destroy the model because of its protectionism and dirigisme. Was Asian pain exploited for U.S. gain?

IMF assistance was made conditional on market-opening policies. Since the value of local currencies was low and the market value of local institutions had collapsed, they could be bought at "fire sale" prices. The sale of domestic firms and assets to foreigners at bargain basement prices under the direction of the IMF risks provoking a backlash of economic nationalism.

The crisis was exploited to launch liberal market and political revolutions. The legitimacy and stability of East Asia's less than democratic regimes rested on economic growth. As this stalled, popular discontent with governments increased in many countries, strikes or riots occurred in some places, President Suharto of Indonesia was

forced to resign after 32 years in power, and there was a general questioning of political authority elsewhere.

In this explosive mix, efforts by the IMF to focus solely on economic fundamentals to the exclusion of social and political reality risked heightening popular discontent, instead of cushioning the pain of ordinary people.

The IMF may well be the only doctor in town for treating currency afflictions. But in the view of some Asian commentators, its only prescription is the medieval one of bleeding the patient until the patient recovers — or dies. The criticism may be unfair, but it is politically potent.

The IMF must accept the reality that the world's financial markets have become integrated. Institutions of international economic management are needed that can cope with multi-country crises and are sensitive to the local conditions, both social and political.

The IMF, the World Bank and to a lesser extent the World Trade Organization are all we have to manage the global economy. Hence the importance that they get it right when things go wrong in countries under their care.

The writer, vice rector of the United Nations University in Tokyo, contributed this personal comment to the International Herald Tribune.

The Yuan? Ignorant Scaremongering Is the Real Problem

By Philip Bowling

HONG KONG — Juvenile currency traders and sound-bite economists have worked up quite some international financial hysteria over the alleged global impact of yen weakness. In particular, they have spread the notion that Japan's problems will cause a follow-the-yen devaluation of the Chinese yuan, which will then send other Asian currencies into new downward spirals and global financial mayhem.

How about some facts? Sure, a weak yen is going to keep downward pressure on goods prices in North America and Europe and undermine the rosy assumptions built into stock prices on Wall Street and throughout Europe. But the picture in Asia is very different.

First, take the yuan. Even assuming that it is eventually devalued again — and almost no one thinks that likely before next year — its trade impact on the rest of Asia would be modest and slow acting, in the same way that Southeast Asian, Taiwan and South Korean devaluations have had only modest impact on China's exports.

Overall, China's exports in volume terms are still growing at roughly the same rate as those of its neighbors. Those to the United States and Europe are still booming.

China's export problems, such as they are, have been caused mostly by the collapse of domestic demand elsewhere in Asia, rather than by loss of competitiveness. Devaluation would be a tonic for the profitability of Chinese enterprises burdened with overcapacity, debts and weak domestic demand. But the external trade impact of, say, a 25 percent devaluation would be limited.

As for the rest of the region, a lot of nonsense is written about their need to export their way out of their difficulties and how this would be made impossible by a Chinese devaluation. The reality is that trade deficits are not a problem in Asia. Volume exports to countries outside the region are still satisfactory.

Almost every country in the region is recording huge trade surpluses because of a collapse in imports. Their export problem is soft prices due to excess capacity caused by weak domestic demand in the region.

Competitiveness is not an issue. Asia now has it in spades, and from a trade perspective should not be unduly upset by a devaluation of the unconvertible yuan. (The only exception is Hong Kong, which has painted itself into a dollar peg

corner which would be unsustainable should China devalue.) The bigger danger is a prolonged weakness in China's domestic demand causing increased dumping of excess inventory onto world markets.

The problems in Asia (except Japan) are not of current accounts and trade. They are very high real interest rates, volatile capital flows and the collapse of domestic demand that has followed. What matters far more to them now than exchange rates is interest rates and revival of demand at home and among their neighbors.

What matters in particular is a revival of demand and an end to deflation in Japan. If a weak yen helps, that would be good for the rest of Asia.

Of Asian exporters, only Taiwan and South Korea compete significantly with Japan. For the rest, a weak yen generally improves their terms of

trade, since Japan is their main source of imports.

Such facts cannot of course compete with market hysteria. The instant views of overpaid and underinformed traders in the capital markets can create flows of funds vastly in excess of those mobilized in the short term by the forces of trade and competitiveness.

It is an indictment of open capital markets that scare stories about yuan devaluation can cause much more economic damage than the reality. The cost of capital has risen, badly needed interest rate cuts are deferred, and recession threatens to become depression.

In the past few days, billions of dollars have left Asia because of self-feeding fears based on ignorance of facts and lack of accountability. That, not the yuan, is something to worry about.

International Herald Tribune

Look Past the Clinton Story at Lousy Harassment Law

By Robert J. Samuelson

WASHINGTON — The "story" is President Bill Clinton's impending grand jury testimony. The unseen story is how dubious law — here, the law of sexual harassment — takes America in unintended and unwanted directions.

Most Americans wish they had never heard of Monica Lewinsky. A CBS news survey last week found that, by a 63 to 31 percent margin, people think the country would be better off if the Lewinsky investigation had never started. The reason it did is sexual harassment law.

The scandal began with the Paula Jones lawsuit — a case that never should have been brought.

To say that does not mean that the case was frivolous. A frivolous case involves behavior that did not occur or, if it did, is legal. But the law on sexual harassment is so murky and expansive that it extends to Mrs. Jones's complaint that Mr. Clinton asked for oral sex. The law makes almost any kind of unwanted sexual speech or conduct potentially illegal if, somehow, it is tied to the workplace.

Ugly things do happen at work. A recent Washington Post poll found that 56 percent of Americans think that women are "often" harassed at work. But good things happen, too. Although a lot of office romances and poorly, the most likely outcome is marriage, reports a survey of 600 corporate personnel officers by the Society for Human Resource Management.

It would be nice to have a law that punished abusive sexual behavior at work without suppressing men and women's freedom to deal naturally with each other. Present law does not approach this lofty ideal.

The central problem is that no one can say what sexual harassment is.

Just about everyone agrees that supervisors should not ask subordinates for sexual favors in return for a job, higher pay or a promotion. This is "quid pro quo" harassment. But the law goes beyond this and makes feelings — anger, embarrassment, displeasure — the basis for claiming "hostile environment" harassment.

The result is to convert boorish behavior, botched relationships and bad taste into grounds for lawsuits. Just what is legal and illegal is muddled.

Congress does not mention harassment in Title VII of the 1964 Civil Rights Act, which prohibits job discrimination.

The Supreme Court more or less invented the concept but does not clearly say what it is.

The court defines harassment as conduct "so severe or pervasive as to alter the conditions of [the victim's] employment and create an abusive work environment." When "properly applied," this standard would "filter out complaints attacking the ordinary tribulations of the workplace, such as the sporadic use of abusive language, gender-related jokes and occasional teasing."

U.S. District Judge Susan Webber Wright dismissed Mrs. Jones's suit on the grounds that the alleged incident did "not constitute the kind of sustained

and nontrivial conduct necessary for a claim of hostile work environment" (Mrs. Jones has appealed).

If Mr. Clinton headed the local power company, would the judge have let him off? I doubt it. But the point is that no one can tell: the standard is that vague. I think the suit never should have been brought, because the law should be tighter.

Harassment should involve job consequences — either the threat or loss of a job or pay. (Mrs. Jones suffered none, despite claims to the contrary.)

Eugene Volokh of the UCLA Law School offers much evidence that free speech is suppressed in the name of halting

harassment. In one incident, a graduate student had to remove a picture of his wife in a bikini because it offended someone.

Then there is the case of Harold Mackenzie, a manager at the Miller Brewing Co., who one morning discussed a race episode of "Seinfeld" with a co-worker. After she complained, he was fired, despite his good record. He was unemployed for two years before suing and winning a \$2.74 million judgment against Miller.

Vague harassment law becomes a channel for all manner of personal or workplace grievances. In real life, these disputes are as messy as human nature.

The Washington Post poll also asked how often a "woman falsely files a lawsuit or com-

plaint against a man." Among women respondents, 34 percent said this happened "often" and 44 percent "sometimes."

Of the complaints made to the Equal Employment Opportunity Commission, 40 percent are judged to have "no reasonable cause" and another 40 percent lapse, often because the complainants provide no supporting evidence.

Good laws are clear. Otherwise people cannot obey them and can construe conduct they dislike to be illegal. By this commonsense standard, sexual harassment is bad law.

Worse, the law has depoliticized companies to police it, because if they don't they face lawsuits. To avoid suits, the temptation is to define harassment broadly. Firms will increasingly intrude on the speech and private behavior of their workers; at worst, there will be vigilantes in the workplace.

Congress ought to rescue the Supreme Court from its confusion by legislating limits. This seems unlikely. Clinton's haters may suspect that the harassment laws are too loose, but they relish the chance to attack the president; Clinton supporters think that the Jones case was used politically but are ideologically committed to broad notions of harassment.

The result is a conspiracy of silence in favor of lousy law.

Washington Post Writers Group

Just Say Sex Is None of Starr's Business

By Nathan Lewin

WASHINGTON — When President Bill Clinton testifies to the grand jury on Monday, and is first asked about his relationship with Monica Lewinsky, he could reply with something like this:

"I respectfully refuse to answer questions you are asking me, or will ask me, about my private sex life. This is none of your business, and none of any prosecutor or investigator's business. It is within the zone of privacy protected by the Fourth Amendment and covered by court decisions protecting the privacy of consensual sexual relations."

"I will readily answer all questions about possible obstruction of justice and about discussions I had with Ms. Lewinsky after she was served with a subpoena after she was served with a subpoena. I acknowledge that investigating obstruction of justice is properly within your mandate as independent counsel, but I cannot agree that you have the right to ask me, or any American whom you summon to your grand jury, about private meetings and possible sexual relations with a consenting adult."

He could then refuse to answer any question concerning visits by Ms. Lewinsky to the White House and all questions concerning her reported allegations of sexual relations.

The president's lawyers will be at his side in the Oval Office, and they could then explain for the record that just because he agreed to testify, as he said, "completely and truthfully," he did not waive his constitutional rights of privacy.

Kenneth Starr, the independent counsel, and his deputies would be left with the limited and unsatisfactory option of interrogating the president about what he said to Ms. Lewinsky regarding the evidence that Mrs. Jones's lawyers were seeking.

Mr. Clinton's account could differ from what Mrs. Lewinsky has said, but there is no objective physical evidence to prove exactly what was discussed.

If an ordinary federal grand jury witness — not the president of the United States — invoked constitutional rights of privacy to justify a refusal to answer relevant grand jury questions about his sex life, a prosecutor would probably haul the witness before a federal judge and have him held in contempt and jailed until he testified.

It is true that the privacy claim is legally unsound, but no more so than many privilege claims that have been invoked by the Clinton White House during this investigation.

Would Mr. Starr seek a contempt sanction against the president of the United States when most Americans (more than 60 percent, according to opinion polls) are unhappy that Mr. Starr is investigating Mr. Clinton's sex life in the first place? Not likely.

Moreover, Mr. Starr has formally withdrawn the grand jury subpoena in exchange for the president's agreement to testify. Thus there is no legal basis for holding the president in contempt if he declines to testify

about alleged sexual relations with Ms. Lewinsky.

And whether his agreement to testify forecloses such a claim may end up as an argument between lawyers over ambiguous terms.

The writer was the lawyer for Attorney General Edwin Meese 3d in an independent counsel investigation conducted in 1987 and 1988. He contributed this comment to The New York Times.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1898: Peace Protocol

PARIS — [The Herald says in an Editorial:] Virtually the war is over. Orders were sent to military and naval commanders notifying them of the suspension of hostilities, which have lasted just sixteen weeks. The Protocol contains the points which will have to be embodied in a treaty of peace. It provides for the evacuation of Cuba and Porto Rico, for a coaling station in the Ladrone, and for the retention of Manila and its bay until the fate of the Philippines is decided by a commission.

1923: Vienna Divorce

VIENNA — Going to the movies against the wishes of the husband is sufficient ground for divorce, a court has decided here. The wife pleaded that on each occasion when she violated her husband's orders, he forgave her, when she gave him a kiss. She argued also that forbidding her to go to movies constituted an unjust curtailment of her personal liberties. The judge, however, ruled in favor of the husband.

1948: Easier Fashions

PARIS — The simple and easy-to-wear clothes have come back into their own after the very natural post-war feminine reaction? and need for extravagance "new looks." Classic suits and frocks, highlighted by superb tailoring and fabrics, are reaffirming their constancy. The fall showings of houses like Creed, Jean Farel, O'Rossen and Heim-Jones-Filles all emphasize a swing over to the unencumbered but subtle line. Jean Farel states that the "New Look" was a necessary extravagance after the war's restrictions, but now in this place emerges the woman who is straightforward and "modern," sophisticated, sophisticated with out eccentricities.

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OPINION/LETTERS

Terrorism's Roots: Complicated and Often Unconnected

By William Pfaff

PARIS — The Taliban, "students of theology," now control nearly all of Afghanistan, having conquered the last strongholds of both Uzbek and Tajik resistance, as well as forces of the Shiite Hazaras, allied with Iran. None of these groups, however, is disposed to submit to the Taliban, and all are linked to cross-border ethnic supporters.

Afghanistan provides another demonstration that Islamic civilization has more than enough internal conflict to distract it from that "clash of civilizations" with the West that is fancied in some Western discussion.

Even fundamentalists are fighting one another, for reasons of nationalism. The Taliban themselves owe a debt to the CIA, which supported the mujahidin fighting the 1978 Russian invasion of Afghanistan; the mujahidin subsequently went on to fight elsewhere for Islamic fundamentalism. The mujahidin were the Taliban's predecessors, both backed by Pakistan, America's ally in the Afghan secret war.

The Taliban are financed by Saudi Arabia, America's main Arab ally — indeed, its client in the Middle East, guardian of the oil resources on which the West depends.

Osama bin Laden, the man identified in early press reports as a possible organizer of last Friday's bombings of U.S. embassies in Kenya and Tanzania, is a Saudi Arabian and supposedly is now in Afghanistan, protected by the Taliban. His aim is to expel the United States and its influence from the Muslim world.

The Saudi Arabian monarchy is caught between its military and political dependence upon the United States and the internal threat posed by fundamentalism and nationalism, represented by Mr. bin Laden. That is why it evaded full cooperation with the United States in investigating the 1996 bombing of a U.S. Air Force residence in Saudi Arabia, in which 19 Americans died, and in which the involvement of Mr. bin Laden was suspected.

The legitimacy of the Saudi monarchy, badly weakened by the excesses and irresponsibility of many in the ruling family, rests upon its defense of strict Islamic orthodoxy. That is why the Saudi government finances fundamentalist Islamic movements not only in Afghanistan but in Palestine, where the Saudis support Hamas; in Sudan, probably in Algeria, and possibly in Egypt.

The Washington line and cry following last week's bombings in Africa sought a name, an organization or, better yet, a government to hold responsible — and to bomb in revenge. This is a natural reaction to the horrors in Nairobi and Dar es Salaam. It would be a relief to put a name to those guilty of these crimes. Instead we are forced to contemplate the complex web of forces behind the phenomenon of terrorism.

Individuals, and probably an organization, were responsible for what

happened, and perhaps a government, but the likelihood of identifying and punishing them is not great.

The New York Times has just published a "scorecard" of overseas terrorist attacks on Americans. From the Beirut embassy and Marine barracks bombings of 1983, in which a total of 257 Americans were murdered, up to (but excluding) last

The complexities go infinitely beyond the whom-shall-we-bomb and our-reach-is-long rhetoric of government and press.

week's bombings in Africa, the scorecard counts 13 attacks, with 631 people killed, mostly Americans.

The memory of the United States may be very long and its reach very far, as Secretary of State Madeleine Albright said Sunday, but in these attacks over a decade and a half there has been just one arrest and conviction before an American court, on just one terrorist charge. Another person is awaiting U.S. trial. Two people have been convicted abroad and are being held in foreign prisons.

One incident, the bombing of a West Berlin nightclub in 1986 that killed two U.S. soldiers, provoked an American air strike on Libya, killing Colonel Muammar Gadhafi's daughter, among others. The

result of that, according to American and British officials, was the bombing of Pan Am Flight 103 over Lockerbie, Scotland, in 1988, which killed 270 people, mostly Americans.

Anyone who follows these affairs understands how twisted and complex the consequences may be of policies that seemed like a good idea at the time. The complexities go infinitely beyond the simplistic whom-shall-we-bomb and our-reach-is-long rhetoric of government and press reactions.

There is in this situation the risk that a political myth may displace concentration on responsible individuals, organizations and governments. The eminent British military historian Michael Howard has just said something about this (in the current literary supplement to The Times in London). He deplored the idea that the West faces something that might be called the "Green Peril" — a mythically united Islam attacking the West.

The myth of a Green Peril, he writes, "falls into the most dangerous category of myths of them all — 'The Conspiracy to Take Over the World.' These sink their roots deep in collective paranoia and never entirely die."

He warns that historians and other scholars (and even journalists) need to quench this particular myth "with a dose of cold, boring historical fact," "People may not listen," he concludes, "but at least we can try."

International Herald Tribune.
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Mufti's Funeral a Symbol Of the Divided Bosnia

By Anna Husarska

SARAJEVO, Bosnia-Herzegovina — He was a living symbol of the multiethnic Bosnia. His death sparked ethnic hostility that symbolizes the divided Bosnia.

Ibrahim Halilovic, the mufti of Banja Luka, the leader of the decimated Muslim community of the Republika Srpska, died last month at age 52 of a heart attack. His death provoked pain in some

MEANWHILE

quarters and, not entirely surprisingly, shameful behavior by some Bosnian Serbs.

Following an appeal by the supposedly moderate Serb Party of Posavina and Krajina, about 1,000 Bosnian Serbs gathered on the grounds of what was once Banja Luka's central mosque to prevent the mufti's burial there.

It is tragically ironic that the death of this gentle and soft-spoken man, who had dedicated himself to preserving a multiethnic Bosnia, provoked such a nasty display of ethnic intolerance.

The demonstration followed a familiar pattern: The Serbian flag was hoisted; loudspeakers blasted nationalist Serbian songs; the mob chanted, "We won't give up Serb land"; a UN policeman and another international officer were attacked; Bosnian Serb police prevented 10 buses of Muslims from coming to what the believers had hoped would be the mufti's funeral; three journalists were roughed up, and two cameras were smashed.

It brought out the worst in a small group of fanatics and failed to bring out the best in Banja Luka and in the Republika Srpska authorities, who did not so much as squeak in protest or in shame.

Mufti Halilovic stayed in Banja Luka throughout the Serbian ethnic cleansing that decimated his flock. At the beginning of the war, in 1992, he organized humanitarian aid. He helped those who wanted to leave and those who decided to stay. Only two imams remained in the Republika Srpska; six were murdered and almost 200 were expelled.

In May 1993 the Bosnian Serbs blew up Mufti Halilovic's beloved Ferhadija mosque. The other 207 mosques in Serb-controlled

Bosnia, of which 16 were in Banja Luka, were either burned to the ground or blown up by the Bosnian Serbs.

The postwar Republika Srpska is a Muslim-unfriendly place. Political violence continues, with expulsions and intimidation. Of the 220,000 Muslims in Mufti Halilovic's congregation, only 14,000 remain. The mufti stayed on to protect them, fighting unrelentingly for religious tolerance and reconciliation. Recently his battle was to obtain permission to rebuild the Ferhadija mosque.

This spring the Serbian mayor of Banja Luka announced that the reconstruction of the mosque "would be perceived by the Serbs as the darkest humiliation, which would open the old wounds and bring far-reaching consequences."

Mufti Halilovic was saddened but determined. He was convinced that the reconstruction of the mosque and his presence were a sine qua non for the return of the Muslim refugees to Banja Luka.

The mufti, always respectful of Bosnian Muslim tradition, wanted to be buried on the grounds belonging to the Islamic community, where the Ferhadija mosque once stood. This was made impossible by some of his neighbors, and he was buried in Sarajevo.

Apart from the human tragedy this represents and the moral shame that it brings to the Banja Lukans who allowed a group of thugs to impose their will — and to the international community, which has troops on the ground and could have offered protection — there is a political lesson to be drawn.

The presumably peace-loving Dayton agreement supporting and multietnicity-favoring authorities of the Republika Srpska — Milorad Dodik and Biljana Plavsic — were either unwilling or unable to show a minimum of humanity and stop the rule of the mob. This does not bode well for democracy's chances in the Bosnian elections, scheduled for Sept. 12 and 13.

This story of his funeral would have broken the mufti's heart.

The writer, a political analyst with the International Crisis Group, contributed this comment to the Herald Tribune.

LETTERS TO THE EDITOR

Jews in Poland

Regarding "Poland Still Has a Way to Go in Ending Anti-Semitism" (Opinion, Aug. 8) by Abraham Brumberg:

Mr. Brumberg's article refers, inter alia, to the problem of Polish textbooks. The American Jewish Committee launched a major study this year to examine the treatment of Jewish themes in the textbooks of post-Communist societies. Our study on Poland, which looked at more than 40 history textbooks used in the national school system, was just released in both Polish and English.

The principal findings include: Despite the significant role played by Jews in Polish history they constituted 10 percent of the country's population until 1939 and more than a third in

such major cities as Warsaw — the Jewish experience is given scant attention. Indeed, the multiethnic and multicultural history of Polish society is largely ignored.

While World War II appropriately is a focal point in the textbooks, the Holocaust is usually discussed as a step in the Nazi extermination of the Polish people and not as a separate phenomenon. Moreover, the centrality of anti-Semitism in Nazi ideology is sometimes missing in the textbooks.

Virtually without exception, the textbooks fail to address the postwar fate of Jews in Poland.

DAVID A. HARRIS
New York
The writer is executive director of the American Jewish Committee.

I would like to mention some more of the strides being made by the Jewish community and the Polish authorities.

In addition to the rise of a new scholarship in Jewish studies there have emerged youth organizations, a Jewish kindergarten and elementary school, two Polish-Jewish publications and many Jewish musical and cultural events.

ABRAHAM BRUMBERG
Chevy Chase, Maryland

People should stop seeing the crosses at Auschwitz as something negative. The crosses should be seen as a symbol of sorrow and remembrance for all the men, women and children who needlessly lost their lives there.

What difference does it make if there stands a cross, a star or any

other symbol at the death camp? They may seem different on the surface but deep down aren't they all the same? Why stress the differences and not the similarities?

PASHA BAKHTIAR
Geneva

The Elgin Marbles

Regarding "A Tug-of-War Over Damaged Greek Masterwork" (July 31):

The article neglects two important points. First, the sculptures in the British Museum were created as integral parts of a total monument, the Parthenon, arguably the most significant creation of Western civilization. Those who believe in their own heritage can simply not tolerate the fragmentation of that unique monument.

Second, scholars who need to study the monument as a whole must travel to various places to analyze, in foreign environments, pieces that physically join and that were part of a single creation.

Given, then, the concerns of civilized people to have the whole monument reunited, and the British insistence on retaining the Elgin Marbles as a monument to imperialistic cupidity, can we persuade the Greeks to send the Parthenon to London? At least then we archaeologists would save on travel expenses.

STEPHEN G. MILLER
Berkeley, California

The writer is a professor of classical archaeology at the University of California at Berkeley.

BOOKS

THE THIEVES' OPERA: The Mesmerizing Story of Two Notorious Criminals in 18th-Century London

By Lucy Moore. 304 pages. \$25. Harcourt Brace.

Reviewed by Jonathan Yardley

LUCY MOORE, a young British historian, paints in "The Thieves' Opera" a remarkably vivid and convincing portrait of London in the age of Hogarth. Ample illustrated with the work of the notable painter and engraver, the book is at first glance an account of the lives of two celebrated criminals of the day, as well as of how, when those two lives came into fatal conflict, the styles and popular perceptions of crime were brought into revealing contrast. Read purely as such, "The Thieves' Opera" is immensely entertaining, in the best sense of that much abused word, as well as informative.

But there is more to Moore's tale than the details of two quite sordid lives and the various lessons to be drawn therefrom. By the early 1700s, when Jonathan Wild and Jack Sheppard were doing their dirty business in and about London, the old order was about to change. A "civilized" world in which the criminal was as commonplace as the law-abiding, in which violence was a daily, inescapable reality, was about to give way to the civilized world as we now know it. The middle class was rising to fill the great space between the obscenely rich and the appallingly poor, and as it rose it began to demand protection for the comforts and privileges it had earned.

Wild and Sheppard, who in their different ways had profited from the known order of lawless venality, were in a certain sense victims of the change in public attitudes and expectations. Both were men of intelligence, wit and native

resourcefulness. Wild, in the words of his early biographer Daniel Defoe, "was too great to be confined to... servile work" and, after apprenticeship to a bucklemaker, found his way to the crowded, filthy, reeking streets of London, where in short time he entered the criminal life.

Wild wasn't just any ordinary criminal. At a time when law enforcement was minimal — in part, Moore argues, because the aristocracy believed that "their liberty entitled Englishmen" to be as wicked as we think fit — the law, such as it was, was placed in the hands of the lawless. Wild became a "thief-taker," a receiver of stolen goods who, in deep complicity with the men and women who had stolen something, sold it back to its original owners at punitive cost; it was a trade "involving blackmail, informing, bribery, framing and organization of theft, as well as mere receivership," and Wild proved extraordinarily gifted at it. By 1718 he had declared himself "Thief-Taker General of Great Britain and Ireland" and, like so many others before and since, had begun to launder himself into respectability; he enjoyed a measure of this until popular opinion began to turn against the thief-takers, and what had been both acceptable and necessary became despised.

Jack Sheppard determined that society as it was then structured offered no realistic hope of fair reward for his labors and a place among the respectable. He drifted into crime as a form of "old-fashioned floating of authority" and remained ever thereafter at least as much a rebel as a criminal. His own gift turned out to be for housebreaking and jail escape, both of which he accomplished in ways so spectacular that he became a popular hero. "Nothing contributes so much to the talk of the town at present," according to one contemporary account, "as the frolicsome and desperate adventures of the famous

housebreaker and gaol-breaker Jack Sheppard." In 1728, not long after Sheppard's execution by hanging, he was immortalized by John Gay as Macheath, in "The Beggar's Opera," a role widely familiar unto this day.

Different though the men were, they were members in good standing of a vast criminal society in which heterogeneity was the rule. In a general London population of 600,000 there were some 10,000 full-time criminals.

Moore has written excellent thumbnail sketches of prostitutes, highwaymen, thief-takers, housebreakers and others who fell into even more narrow and arcane specialties, including the "Hook Pole Lay" ("a thief who used a long pole, with a hook attached to its tip, to pull unsuspecting riders off their horses to rob them") and the "Angler" ("a thief who, using a fishing rod and line from a high window or carriage, fished wallets out of the inside pockets of men walking beneath them, or wigs and hats off their heads"). As these quotations suggest, Moore has the good sense to take the criminals of Hogarthian London on their own terms rather than to judge them by our own ostensibly more refined standards.

Those standards were a long time in coming; we had to pass through the London she describes here in order to achieve them, just as we had to pass through Hall's Kitchen in New York and Al Capone's Chicago. Jonathan Wild and Jack Sheppard were merely two members of a long procession of the disreputable that has led us, in this unimaginably enlightened age, to the sharks of Wall Street and the knaves of Washington. At least Wild and Sheppard met their ends on the gallows, whereas the criminals of today find their way to the evening news and the shelves of respectable bookstores.

That, dear reader, is progress.

Washington Post Service

BRIDGE

By Alan Truscott

AT the American Contract Bridge League's Summer Nationals the strong team captained by a veteran expert, Bill Root of Boca Raton, Florida, seeded 234, led by 60 tricks going into the final 16 deals of a Spingold Knockout match. They then lost 84 tricks, losing by 24 to Jim Reiman of Mansfield, Ohio; Frederick Allensbach of Potomac, Maryland; William Doroshov of Skokie, Illinois, and James Ward of Champaign, Illinois, who were seeded 424.

The remarkable deal shown in the diagram helped the Reiman foursome achieve its Spingold victory. West felt confident in doubling four hearts, but was disillusioned

by Ward's play with the South cards. East's bid of two hearts was Michaels, showing spades and a minor suit, and he passed the double of four hearts with some reluctance. The opening club lead was won with the ace, and South

led a low heart, winning with dummy's nine and discovering the trump split. A diamond was led to the king, and West took his ace and returned the jack. South won, threw a spade on the diamond queen and ruffed a diamond.

The heart queen was led and allowed to win. When the jack was led West took the king and returned the suit. South won, cashed his last trump and reached the ending shown at left.

South led his club, and West was forced to ruff, and did the best he could by leading the spade six. Ward was forced to guess, and guessed right by putting up the queen. He remembered East's hesitant pass of the double, and inferred correctly that East had no de-

fensive strength. Making four hearts doubled gained Ward and his teammates 111 points, an important step on the road to a remarkable victory.

NORTH (D)
♠ Q 9
♥ 10
♦ Q J 9 7 6 5
♣ K 5 3 2

WEST
♠ K 7 4 3 2
♥ A 10 4 2
♦ 8
♣ 8

EAST
♠ J 7 5 4 3 2
♥ A 10 9 8 7 6 5
♦ K 3
♣ A 5

SOUTH
♠ A 10
♥ 7
♦ —
♣ 5

Both sides were vulnerable. The bidding: North: East: South: West: 1 NT: 2♥: 4♥: Pass: Pass: Pass: Pass: West led the club eight.

ROMANIA

STATE OWNERSHIP FUND

PRIVATISATION COMMITTEE OF BANC POST S.A.

In accordance with the provisions of Law no. 83/1997 concerning the privatisation of banking companies where the State is a shareholder and according to the methodological norms for the implementation of Law no. 83/1997 approved by Government Decision no. 458/1997, the State Ownership Fund, headquartered in Romania, Bucharest, Str. Stavropoleos no. 6, sector 3, acting as majority shareholder, on behalf of the State, announces the sale of the shares beneficially owned in the banking company BANC POST S.A., against downpayment, in keeping with the privatisation strategy approved by Government Decision no. 435/1998.

The privatisation strategy adopted provides for the implementation of the privatisation procedures in two stages, as follows:

- Stage One - calendar year 1998
 - sale of a package of maximum 45% of the Bank's issued equity capital through direct negotiation with preselected investors;
 - sale through public offering of minimum 10% of the Bank's issued equity capital, simultaneously with the listing of the Bank's shares on the Bucharest Stock Exchange;
 - direct negotiation with Romanian natural persons - employees, managers and retirees of BANC POST S.A. - for a share package of maximum 8% of the Bank's issued equity capital.
- Stage Two - calendar year 1999
 - private placement with institutional investors;
 - public offering on the domestic capital market.

For the privatisation of BANC POST S.A., a Privatisation Committee has been appointed by Government Decision. The Financial Advisor is the Consortium composed of ABN AMRO Securities, ProcewasthouseCoopers, Clifford Chance and Nestor & Nestor.

The share package of up to 45% is destined to be acquired by two investors, acting individually or in concert, and prepared to become active shareholders and to support the Bank in developing its activities in the Romanian market for financial services.

BANC POST S.A., with the Headquarters in Romania, Bucharest, Bd. Libertatii nr. 18, sector 5.
Trade Register no. 140905/1991
Tel.: (401) 311.06.06, 311.06.04
Fax: (401) 400.11.28

- Object of activity: universal bank focused on retail banking and postal financial services.
- Equity capital: ROL 104,100,075 thousand.
- Number of shares issued: 104,100,075 at a par value of ROL 1,000 apiece.
- Structure of the shareholdings as of 30 June 1998:
 - 70% beneficially owned, on behalf of the State, by the State Ownership Fund;
 - 30% owned, in equal proportions (6% each), by five financial institutions companies ("SIFs").
- Retail network: 113 own outlets in the main urban centres and 2500 post offices providing banking services.
- Turnover 1 January - 30 June 1998: ROL 897,065.34 million.
- Profit and loss account (according to IAS, ROL million):

	1996	1997	1998 (30 June) unaudited
Profit, pre-tax	264,061	370,193	132,986
Profit, after-tax	209,781	169,932	86,940

- Rate of exchange as of 30 June 1998: ROL 8,670/USD.
- Auditor: Deloitte & Touche.
- The interested investors are invited to express their interest in written form, through letters of intent comprising at least the following information:
 - a) identification of the natural/legal person;
 - b) profile of activity, main lines of business and volume of business carried out over the last year;
 - c) copy of the most recent audited Annual Report and Accounts;
 - d) size of the solicited share package.

The letter of intent will be drawn up in either the Romanian or English language and will be submitted, in three copies, the latest by 27 August, 1997 at 17.00 local time (15.00 GMT), in sealed envelopes addressed to:

Privatisation Committee of BANC POST
Attention: Mrs. Cristiana Gocia, Chairperson
c/o State Ownership Fund
Str. Stavropoleos nr. 6, cod 70003, sector 3
Bucharest, Romania
Fax: (401) 311.30.92

The tender book for the submission of binding buying proposals will be available as from 1 September 1998 to all potential investors having solicited individual share packages of up to 20% and to reputable international financial institutions wishing to acquire individual packages of more than 20%. The release of the tender book is conditional upon the payment of a fee of US\$ 10,000 and the signing of a confidentiality agreement.

Binding buying proposals, drawn up according to the requirements of the tender book, will be accepted until 30 September 1998.

TribTech

A Free Bike for Everyone: Amsterdam Tries It Again

Idealist Gives a High-Tech Twist to an Old Idea

By Charles Truehart
Washington Post Service

AMSTERDAM — If the Dutch love for bicycles has a leading man, he is probably Laud Schimmelpennink, who is to a pair of bike wheels what Hans Brinker is in literature to a pair of skates.

To an aging generation of people here, his name recalls a bygone era of high ideals and of one fuzzy but noble plan to improve urban life.

He was the long-haired anarchist who pioneered the idea 30 years ago of supplying the people of Amsterdam with free bicycles.

His idea went like this: Bicycles, to be regarded as the property of all, would be loaned against lampposts for the taking riding and then leaving against another lamppost for the next rider.

The white bicycles were wheeled out for public use. They were soon gone, either stolen or wrecked.

Mr. Schimmelpennink is still around, undaunted but with less hair, and he is still dreaming about bicycles.

He has come full circle, in a way, by recycling the same impractical but lovely idea: a free supply of white bicycles whose coming and going is ruled — this time more efficiently than before — by a check-in system using smart cards, all assisted by on-board computers tucked inside the strange-looking bikes he has designed.

Now 62, Mr. Schimmelpennink runs a socially conscious industrial design company, Y-Tech Innovation Center. It is in a building whose occupants tend to be inventors of unusual things.

Mr. Schimmelpennink has concentrated on socially conscious transportation. In a room off his work space is the shell of an old electric vehicle he

championed in 1974. It is such an antique that he's restoring it. On the drawing boards are photographs of a new, all-weather bicycle — rain gear with wheels — which is now being tested.

Now he is surrounded by a small fleet of a new "people's wheels" designed in his shop: A little wheel in front and a big one in the back. Bright yellow plastic covers over the spokes. A torsion bar made larger to accommodate an on-board generator and computer. No extras other than lights fore and aft.

The design makes it less prone to abuse, Mr. Schimmelpennink said. And the ugly bike is unlikely to be stolen. "Even if you painted it red, everyone would know what it is," he said.

The Netherlands has more bicycles than its 15 million people and more than any other country per capita, says the Dutch road association. More than a million bikes are bought annually, the majority by women.

The flatness of the Netherlands, the density of its population — the highest in Europe — and the compactness of its urban centers make bicycles a sensible means of transportation.

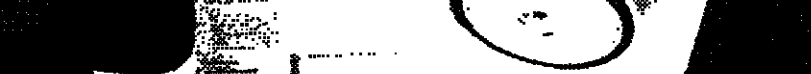
(By the way, Mr. Schimmelpennink gave up his car in 1969.)

Mr. Schimmelpennink said he has been pleased by the state-subsidized pilot program for his "white bike" rejuvenation this summer.

A six-station network, he said, will extend the municipally approved experiment in the autumn.

Perhaps 15 stations will be operating next year, 45 the next, and then eventually 150 in this city of a million people.

That is the critical mass that he feels is required to get people to use the system for rides of an average of 10 minutes, for shopping trips or for nights out.



Laud Schimmelpennink, '60s advocate of communal bike property, shown with one of his designs, a pedal-and-solar-power vehicle.

ALT / Commentary

Humans: Intel Inside?

Biological Computing Aims to Outwit Nature

By Rob Fixmer
New York Times Service

WE HUMANS have been trying to accelerate our own evolution for millennia, and while in some ways we appear to be getting away with it, biological computing could well test the forbearance of Mother Nature.

Until now, the most ambitious efforts to outwit natural selection have been cloning and the Human Genome Project, which sets out to map the results of random mutation and natural selection on our collective genetic inheritance.

Scientists embark on these projects not out of mere curiosity but with the

ing. This area of research may seem far-fetched, but it is really the logical extension of devices such as pacemakers, ocular implants, which simulate hearing for the deaf, and neurostimulators, which send small electrical charges through nerves to alleviate certain kinds of pain.

In a metaphorical sense, the morphing of man and machine is already taking place. Among Silicon Valley digital heads, the human brain and its products are commonly alluded to as "wetware," while intelligence is expressed in "bandwidth."

At the same time that electronics is making its way into the human body, biological organisms are instructing chip design. British Telecom is investing in Soul Catcher not only for the long-term potential of brain-chip implants but on the assumption that, conversely, the workings of the human central nervous system can teach chipmakers a thing or two about network efficiency.

Biology is already invading computer architecture. Two professors at the University of Rochester in New York collaborated two years ago in building a rudimentary device that uses nucleotides to perform functions typically handled by transistors in a silicon processor.

In Santa Clara, California, engineers at a company called Affymetrix are making computer chips containing DNA to diagnose genetic mutations.

Will the merging of machine and organism bypass evolution, or is it merely an extension of the evolutionary process?

In some ways, the spread of the Internet suggests that people are already on the threshold of a major evolutionary step as information-processing organisms.

Communication over the Internet breaks old time and space bounds, allowing those who are connected to share, interactively, an enormous and growing wealth of information. The technology itself is quickly evolving into a sort of global nervous system.

In the end, perhaps the most frightening question in these futuristic visions of the mind-machine meld is who or what can be entrusted to run the system.

Windows 2028, anyone?

Rob Fixmer is a technology writer and editor for The New York Times.

We're Ready for Your Close-Up

In England, at the Computer Clothing Research Centre, people are photographed side and front with a digital camera. The fifty-plus measurements become the basis for digital mannequins customers use to "try on" clothing.



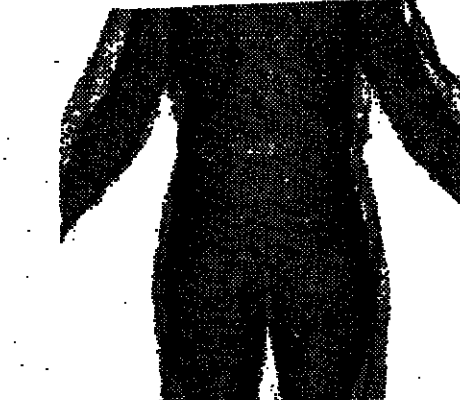
Sources: Stephan Gray, TC 2; Air Force Research Laboratory

Body scanners for "mass customized" clothing come in three types:

The key measurements needed to alter standard patterns to fit individuals are extracted automatically. This image is from a machine developed by TC 2, a research center for the apparel industry.



The scan takes 17 seconds. Before a garment is actually cut, the customer may have the option of a virtual try-on, draping the prospective dress or shirt on a personal, three-dimensionally scanned image.



The New York Times

Finding the Right Fit With a 3-D Body Scan

A Developing Technology to Mass Customize Clothes May Change the Fashion Industry

By Anne Eisenberg
New York Times Service

NEW YORK — "Made to measure" garments once meant a shirt, suit or gown made by a tailor for the wealthy few. In time, that custom fit may be readily available for the average mall shopper as well, thanks to the technology behind three-dimensional body scans.

Within a year or so, experts say, some consumers are likely to make so-called mass customization a common reality rather than an oxymoron.

"We have the capability," said Stephen Gray, head of the Computer Clothing Research Center at Nottingham Trent University in England. "If people have been through our body scanners, we can have their data on a smart card that gives the retailer all the information necessary to fit the individuals, who can, in turn, use the Internet to look at fabrics and position the garment on a personalized mannequin of their body type."

Right now, body scanners can be found mainly at a scattering of research sites and Hollywood special effects studios. While clothing manufacturers and retailers are intensely interested in the new technology, they are aware of the many roadblocks on the way to consumer acceptance.

One problem is what Dick Yardley, a manufacturing technology specialist at the American Apparel Manufacturers Association, calls the modest factor: "Some people don't want to know what they look like in a body stocking. You're not going to get them to strip down to get their picture taken."

There are, too, the inevitable glitches that will occur when consumers trust the same technology to design their clothes that has created a new meaning for the word "bug" and threatens worldwide disruptions in 2000.

"The technology is amazing," said Andree Conrad, editor of Apparel Industry Magazine, "but inevitably problems will occur. And, granted that the fit is far better than off-the-rack, will consumers be willing to pay for it? The American public is so price-conscious

that it has pushed the cost of garments way down."

Eric Blackwood, vice president at J.C. Penney's, a nationwide chain of department stores, agrees that price is the defining issue for the American market.

"Europeans are willing to spend more for their clothing than Americans," he said. "When you customize, the cost is higher. We think the scanners have tremendous potential, but it's not going to happen tomorrow for us. We have to refine the process to get the scanning and manufacturing costs down to what the customer is willing to pay and shrink the scanners, too."

Still, manufacturers and retailers, many of them in the high-end office clothes market, are starting to come forward to embrace the body scanner, bulky though it may be. Homi Patel, the president and chief operating officer of Hart, Schaffner & Marx, the largest manufacturer of men's clothing in the United States, is working in conjunction with a research center in Cary, North Carolina, that has developed its own scanner.

"Probably we'll work with department stores to have scanning equipment available and then connected directly into our management information systems to develop custom garments at quick speeds," Mr. Patel said. "True, the scanning machines won't have the charm of a good salesman. But people will get acclimated. Young people will have no trouble."

Even if body scanning is slow to spread to mass markets, accurate information on body shape could have a profound effect on the clothing industry. "Even in the shops," Mr. Gray pointed out, "fit is going to be better as we acquire more accurate data about our body shapes."

Brooks Brothers has had striking success during the past year with its fledgling shirt customization program, which it began last August. "If you have the ability to give people exactly what they want, it's a differentiator," said Joe

Dixon, senior vice president for manufacturing at Brooks.

For now, customers for custom shirts are fitted the traditional way, with a tape measure. Then software adapts the standard Brooks Brothers pattern to specific measurements — for instance, making one sleeve longer than the other — before the material is cut and sewn. Delivery is promised in about two weeks; prices start at \$75.

"We were pleasantly surprised by the level of business we've generated," Mr. Dixon said.

The company is talking to body scanner manufacturers. Mr. Dixon said, "We just need to make sure that when a customer comes in and has to strip to underwear, that the customer really wants to do that."

Both two- and three-dimensional scanners are being used for the body measurements that are the basis for mass customization.

In England, the Computer Clothing Research Center has measured more than 8,000 people. It uses a system of side profiles and front outlines that is less expensive than point-to-point three-dimensional scanning.

Full-color, whole-body, three-dimensional scanning is also being used by the U.S. Air Force. After all, pilots wear clothing too, and helmets. "Everyone is interested," said Kathleen Robinette, an anthropologist and mathematician at Wright Patterson Air Force Base, Ohio, who is managing the Civilian Anthropometric and European Surface Anthropometry Resource, called Caesar, the first whole-body three-dimensional scanning project. (Anthropometry is the study of human body measurements.)

"The technology will be applied in ways that haven't even been imagined yet," she said. Caesar will measure 10,800 males and females of varying weights and ages, 4,000 of them in the United States and 6,800 in Europe.

"We're going to learn for the first time what we're shaped like," she said. "The data will help us create realistic

computer mannequins to build made-to-measure garments on. It will yield many software tools for the design and production of customized clothing."

The U.S. armed forces have been interested in body measurement since the 1930s because of its responsibility for uniforms and specialized protective equipment such as helmets and gas masks that must fit properly.

In 1987, Wright Patterson Air Force Base acquired an adaptation of a head-scanning system used in the movies for special effects. "We developed software not only to drive the scanner and analyze the data, but for applications related to apparel," Ms. Robinette said.

The data became the basis for tightly fitting fighter pilot helmets, oxygen masks and night vision goggles, among other items. "Now we're moving on from head scans to full-body ones," Ms. Robinette said. "Our last full-scale survey was done in 1939, and a lot had changed since then — people's bodies, even our concept of fit."

The Caesar project is expected to yield data useful across industries. Partners include not only apparel firms like Lee Co., Levi Strauss & Co. and Vanity Fair Inc., but also Boeing Co., Caterpillar Inc. and other companies with an interest in body shapes are changing.

At a software company, the Society of Automotive Engineers, which is coordinating many administrative functions for the huge project, said that so far, there had been no lack of volunteers to come and be scanned. "Everyone has the experience of sitting in a car or airplane seat that is too small. People want their dimensions looked at and used."

One day digital fashion may provide not only physical benefits like better fit, but a psychological asset as well — a way for shoppers to try on clothes without specifying size or weight, two statistics many are loath to confront.

"We hate to say our size. And everyone — well, nearly everyone — lies about their weight," said Linda Freed, vice president of marketing for ModacAD, a Los Angeles software company.

This month ModacAD will offer a CD-ROM that lets young women shop for clothes by trying their selections on 3-D models of different body types.

BRIEFLY

• **RUSH FOR NEW MAC:** Apple Computer Inc. has received more than 150,000 orders for its new iMac Macintosh computer since the company began taking orders a week ago. The iMac, which is aimed at the consumer and education markets, goes on sale Saturday in the United States at a suggested retail price of \$1,299.

The iMac features a translucent green case, an integrated monitor and an illuminated mouse, and some analysts have estimated that the company could sell more than a million of the new machines in their first year.

"I think it will go nuts in the fourth quarter," said Kimball Brown, an analyst with Dataquest, who said his only reservation concerned Apple's reliance on a new connection method, called USB, for printers, floppy disk drives and other peripheral devices.

The use of USB, which stands for Universal Serial Bus, is a new technology that allows for easier connection of devices to a computer.

Microsoft, which already has 800 employees scattered in offices throughout Silicon Valley, will move those people into the Mountain View campus. A larger presence in Silicon Valley, industry executives said, could help Microsoft recruit people from the region's talent pool. "A lot of people who live in the valley are religious about the place," said Roger McNamee, general partner of Integral Capital Partners, an investment firm in Menlo Park, California.

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TECHNOLOGY INDEX

A glance at technology stock indexes around the world			
North America	Tuesday close	% change previous week	% change year to date
Pacific Stock Exchange Technology	337.62		+16.30
Standard & Poor's Technology Composite	896.81		+28.13
Europe			
Morgan Stanley Eurotech	615.53		n.a.
Asia			
Topix Electric	1781.43		+6.93

Source: Morgan Stanley, Bloomberg News

For technology articles from the past week, see the Technology Index on the IHT's World Wide Web site at <http://www.ihf.com>. Articles include:

- Cell Phone Bignouns Put Privacy at Risk, Aug. 6
- Will Magic Ink Erase the Computer Screen?, Aug. 6
- The MiniDisc Takes On the Audio Cassette, Aug. 6
- Often Grudgingly, Executives Join Net Bandwagon, Aug. 6
- Sales of PCs Grow 20 Percent in Europe, Aug. 6
- You Have Mail—and a Security Flaw, Aug. 9
- Eudora's Remedy: A Web Patch, Aug. 9
- Court Rebuffs Microsoft on Source Code and Testimony, Aug. 9
- Blocking Porno Spams: Some Measures You Can Take, Aug. 10
- Tech Firms Set to Team Up on 'Global' Phone Chip, Aug. 10

To reach TribTech editors or to comment on IHT technology coverage, send e-mail to tribtech@ihf.com.

• **WEB RAGE:** If a painfully slow downloading of a Web page has ever made you want to destroy your computer, you are not alone.

According to a report last week by NetRatings, the average home Internet user in the United States wastes more than nine minutes per day, or 55 hours per year, waiting for Web pages to load — 26 percent of all time spent on the Internet. Multiply that by a conservative measure of 43.1 million Internet users in the United States, and the grim total is 2.4 billion hours wasted annually.

"If you only waste 9 or 10 minutes a day, you're in good shape," said Ray Valdes, research director for Internet strategies at the Gartner Group. "The fact is, the average Internet user is ac-

customed to a high level of pain."

Overzealous Web site designers, overburdened Web servers and underpowered home computers all contribute to the pain. The ramifications reach far beyond users, however, into the pockets of Web site owners, Internet service providers and advertisers alike.

NetRatings, a Web audience measurement firm in California, said that home users must wait an average of 48 seconds for text and graphics to load. During business hours, when Web traffic is at its highest, it can be even slower. Keynote Systems Inc., an Internet research firm, reports that the average wait per page for Web surfers at the office is around 19 seconds. (N.Y.)

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Average earnings rose by 5.0 percent in May from a year earlier, down from an annual rate of 5.4 percent in April.

"It seem to me they're asking us to take a great deal on trust and there isn't a lot of trust in the market at the moment," said Peter Jones, an analyst at Peel Hunt & Co. "I suspect we'll need a lot more hard evidence."



The effects of the Canadian dollar's drop have been felt all along the snaking border. At the Bellisfair Mall in Bellingham, Washington, business is down 5 percent to 10 percent, according to General Growth Properties, which owns the

- More Americans than ever now

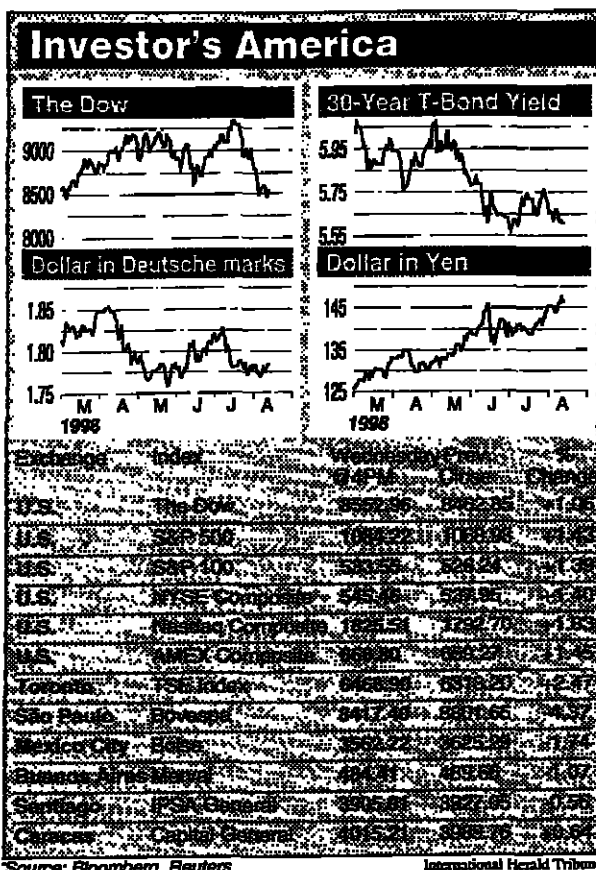
Economists puzzling over the U.S. economy's robust expansion have de-

See WEALTH, Page 13

* Sources: ING Bank (Amsterdam); KSC Bank (Zurich); Swiss Bank Corp. (Zurich); Citibank (New York); 6-month interbank 3.61 3.67 (Doc.)
(Mitsui); Banque de France (Paris); Bank of Tokyo-Mitsubishi (Tokyo); Royal Bank of Canada 10-year bond 4.47 4.44 Source: Reuters.
(Toronto); IMF (SDR). Other data from the Associated Press, Bloomberg and Reuters.

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THE AMERICAS



Very briefly:

- Lamar Advertising Co., a major U.S. billboard company, plans to buy Outdoor Communications Inc. for \$385 million in cash and assumed debt, winning one of the last big closely held outdoor advertisers.
- Bell Atlantic Corp. reached a tentative labor agreement with the International Brotherhood of Electrical Workers a day after it ended a strike with its largest union, Communications Workers of America.
- Moody's Investors Service Inc. cut its ratings for Golden Books Family Entertainment Inc.'s debt worth \$265 million. The agency also put the publisher on review for further possible downgrades to reflect the company's worsening financial health.
- Compaq Computer Corp. bought the rights to the AltaVista trademark and Internet domain name from closely held AltaVista Technology Inc. for an undisclosed amount. According to published reports, the price for the address www.altavista.com was \$3.35 million. Compaq owns a popular Internet search engine that is also named AltaVista.
- Seagram Co.'s fourth-quarter profit more than doubled to \$324 million, inflated by a \$493 million gain from selling the last of its shares in Time Warner Inc.

The Trib Index				
	Jan. 1, 1992 = 100	Level	Change	% change
World Index	184.73		+1.55	+0.85
Regional Indexes				
Asia/Pacific	72.47		-0.41	-0.56
Europe	222.60		+2.50	+1.14
N. America	247.21		+2.73	+1.12
S. America	108.79		-3.01	-2.88
Industrial Indexes				
Capital goods	250.41		+3.29	+1.33
Consumer goods	221.85		+1.25	+0.57
Energy	183.92		-1.81	-0.98
Finance	132.67		+2.07	+1.58
Miscellaneous	142.36		-1.47	-1.02
Raw materials	172.16		+0.65	+0.38
Services	197.84		+2.37	+1.21
Utilities	158.26		+0.78	+0.49

The International Herald Tribune World Stock Index tracks the U.S. dollar value of 300 internationally investable stocks from 25 countries. Compiled by Bloomberg News.

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AMEX

Wednesday's 4 P.M. Close

The 200 most traded stocks of the day, up to the closing on Wall Street.

The Associated Press.

Stock	Sales	High	Low	Open
IBM	1,234,567	123.45	123.45	123.45
Microsoft	987,654	45.67	45.67	45.67
Apple	543,210	34.56	34.56	34.56
Oracle	321,098	23.45	23.45	23.45
Amazon	210,987	12.34	12.34	12.34
Google	109,876	56.78	56.78	56.78
Yahoo	98,765	67.89	67.89	67.89
Alibaba	87,654	78.90	78.90	78.90
Facebook	76,543	89.01	89.01	89.01
Twitter	65,432	90.12	90.12	90.12
LinkedIn	54,321	01.23	01.23	01.23
Slack	43,210	12.34	12.34	12.34
Zoom	32,109	23.45	23.45	23.45
Dropbox	21,098	34.56	34.56	34.56
OneDrive	10,987	45.67	45.67	45.67
Box	9,876	56.78	56.78	56.78
Google Drive	8,765	67.89	67.89	67.89
Microsoft OneDrive	7,654	78.90	78.90	78.90
Apple iCloud	6,543	89.01	89.01	89.01
Amazon Drive	5,432	90.12	90.12	90.12
Alibaba Drive	4,321	01.23	01.23	01.23
Facebook Drive	3,210	12.34	12.34	12.34
Twitter Drive	2,109	23.45	23.45	23.45
LinkedIn Drive	1,098	34.56	34.56	34.56
Slack Drive	987	45.67	45.67	45.67
Zoom Drive	876	56.78	56.78	56.78
Dropbox Drive	765	67.89	67.89	67.89
OneDrive Drive	654	78.90	78.90	78.90
Box Drive	543	89.01	89.01	89.01
Google Drive	432	90.12	90.12	90.12
Microsoft OneDrive	321	01.23	01.23	01.23
Apple iCloud	210	12.34	12.34	12.34
Amazon Drive	109	23.45	23.45	23.45
Alibaba Drive	98	34.56	34.56	34.56
Facebook Drive	87	45.67	45.67	45.67
Twitter Drive	76	56.78	56.78	56.78
LinkedIn Drive	65	67.89	67.89	67.89
Slack Drive	54	78.90	78.90	78.90
Zoom Drive	43	89.01	89.01	89.01
Dropbox Drive	32	90.12	90.12	90.12
OneDrive Drive	21	01.23	01.23	01.23
Box Drive	10	12.34	12.34	12.34
Google Drive	9	23.45	23.45	23.45
Microsoft OneDrive	8	34.56	34.56	34.56
Apple iCloud	7	45.67	45.67	45.67
Amazon Drive	6	56.78	56.78	56.78
Alibaba Drive	5	67.89	67.89	67.89
Facebook Drive	4	78.90	78.90	78.90
Twitter Drive	3	89.01	89.01	89.01
LinkedIn Drive	2	90.12	90.12	90.12
Slack Drive	1	01.23	01.23	01.23

GeoCities Investors Leap at IPO - on Faith

By Saul Hansell
New York Times Service

NEW YORK — Never have so many pictures of puppies been worth so much. Investors clamored to buy the stock of GeoCities on Tuesday, despite a falling market. What GeoCities does is to give, currently, 2.1 million people free pages on the World Wide Web. The people generally fill their pages with stuff like pictures of their children and their pets. GeoCities has yet to show that it can make money this way.

On Wednesday, GeoCities' shares closed at \$43.0625, up \$5.75 on the day and up dramatically from the initial offering price of \$17. That values the company at \$1.3 billion.

Last year the company lost money on revenue of less than \$5 million.

GeoCities and companies like it hope to make money by placing ads on people's home pages as well as on the other pages that people see as they navigate around the service. But advertisers have been skeptical of gambling on home-grown content that at best is random.

The primary competitors for visitors and advertising dollars are the Internet contrivances known as portals, which combine free Web pages with e-mail, search facilities and other services and products to attract users.

The jump in the stock of GeoCities was all the more spectacular because of the sharp decline in the overall stock market and of Internet companies in particular. Shares of America

Online, Yahoo and Lycos all fell Tuesday.

Still, investors continued to show insatiable appetite for the initial offerings of Internet companies. Last month, the stock of Broadcast.com, which offers audio programs on the Internet, jumped 245 percent on its first day of trading, the biggest debut increase ever.

The GeoCities offering was oversubscribed by 20 times, said one person involved in the underwriting.

"GeoCities is a meaningful franchise with fantastic growth and good management," said Keith Benjamin, an analyst with BancAmerica. Robertson Stephens, a brokerage firm that was not involved in the underwriting, "It's not obvious how profitable that franchise will become."

After the Fall, Bargain Hunters Move In

Compiled by Our Staff From Dispatches

NEW YORK — Stocks rose Wednesday as investors looked for bargains after major indexes fell on Tuesday. Relative calm in Asian markets and a rebound in Europe also aided sentiment.

The Dow Jones industrial average closed 90.11 points higher at 8,552.96, and the Standard & Poor's

500 index finished up 15.24 points at 1,084.22. Gaining

numbered losing ones by a 2-to-1 ratio on the New York Stock Exchange.

"We've had a substantial correction, and the average stock is fairly valued here," said George

Mairs, president of Mairs & Power Inc. "Yesterday we saw an over-reaction to the Asian situation."

The Dow lost more than 250 points Tuesday before rebounding to close with a loss of 112 points.

"The psychology of buying on the dips is still in place," said Robert Freedman, chief investment officer at John Hancock Funds. "Investors are afraid they'll miss a bottom, even if it's temporary. People aren't panicking and throwing in the towel."

Treasury bond prices slipped as tamer trading in Asian markets reduced the demand for U.S. securities as a refuge. The price of the benchmark 30-year issue fell 5/32 point to 107 1/32, taking the yield up to 5.62 percent from 5.61 percent Tuesday.

"When it looks like the world isn't coming to an end, bonds back off," said William Stevens, a bond manager at Montgomery Asset Management.

Intel was the most actively traded U.S. issue, rising 1 1/16 to 85 3/4 after the world's biggest chipmaker said it was scouting for new locations for factories.

But Applied Materials fell 3/4 to 32 after reporting a 75 percent drop in earnings for its third quarter because of difficulty in Asia. Applied Materials is the largest producer of equipment that makes silicon wafers.

Adobe Systems fell 3 7/16 to 27 3/4

after the maker of desktop graphics software said it might post a third-quarter loss and would lay off 300 employees, or 10 percent of its staff, as Asia's slump slashes demand.

Cendant, a brand franchising and shopping club company, rose 2 to 16 1/4 after the company said it would sell its Heblo Mag International unit and said it would consider the sale of

its consumer software business.

Cendant is trying to recover from accounting fraud that has forced it to restate earnings.

CheckFree Holdings fell 9 13/16 to 13 15/16 after the provider of electronic data-processing services warned of disappointing revenue in the year from July 1.

(Bloomberg, AP)

CalEnergy Buys Iowa Company

Bloomberg News

OMAHA, Nebraska — CalEnergy Co. agreed Wednesday to buy MidAmerican Energy Holdings Co., Iowa's largest power company, for \$4 billion in cash, assumed debt and preferred stock, to gain a competitive edge as U.S. states open their markets to competition.

CalEnergy will pay \$27.15 a MidAmerican share in cash and assume \$1.4 billion of Mid-American debt. MidAmerican shares rose \$5.3125 on Wednesday, to close at \$25.3125.

The deal is subject to regulatory approval as well as shareholder approval. Completion of the merger is expected by the first quarter.

CalEnergy, which owns Northern Electric PLC, a regional electricity supply and distribution company in northern England, said the transaction would enhance its earnings in the first year.

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Yen Stages Fragile Rally Amid Fears of Intervention

Bridge News

NEW YORK — The dollar fell Wednesday on its eight-year high against the yen on concerns that the Bank of Japan might surprise the market and support its currency.

Light profit-taking snowballed into more significant liquidation of

"I just don't see what a Bank of Japan intervention can possibly achieve," said Jerry Gleason, chief dealer at HYPO Bank in New York.

Japanese officials are attempting to talk up their battered currency any way they can.

Japan's Finance Minister, Kiuchi Miyazawa, said he was planning to meet U.S. Treasury Secretary Robert Rubin on the first weekend of September.

The dollar was supported against the Deutsche mark by Russia's economic troubles amid rumors that Russia might devalue the ruble and that a number of Russian banks might default.

The dollar quoted was at 1.7859 Deutsche marks, up from 1.7814 DM Tuesday. The dollar rose to 5.9935 French francs from 5.9705 francs, but slipped to 1.4890 Swiss francs from 1.4896 francs.

The pound weakened to \$1.6265 from \$1.6325.

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EUROPE

Russia Renews Vows To Stabilize Ruble

MOSCOW — Top Russian officials on Wednesday pledged anew to support the currency and to make debt payments in an effort to reassure foreign investors and stabilize the jittery stock market.

But the stock market continued its decline, with the benchmark Russian Trading System index closing 1.6 percent lower at 108.19, its lowest level since May 1996. The index fell 9.11 percent Tuesday and is down more than 70 percent this year.

Investors fear the government will be unable to handle another assault on its markets and will be forced to lower the value of the ruble, which has been skidding against the dollar.

Finance Minister Mikhail Zadornov assured investors that Russia would not default on its debt payments in the next month. But that was not enough to convince investors that the risk of default had disappeared.

"They said they would cover their commitments for a month," said Tom Brackenbury, a trader at Moscow brokerage Rinasco Plus. "That doesn't really inspire confidence. People are still worried about what will happen in the fall."

Concern that Russia's government will not fulfill its pledges to cut spending and increase tax collection is also making investors wary of buying Russian shares. A \$22.6 billion International Monetary Fund loan is contingent on the government's fulfillment of the austerity plan.

Mr. Zadornov defended the government's commitment to the austerity program and to stabilizing the ruble, saying, "If we thought that devaluation was unavoidable, we would not be taking the measures we are taking now."

Mr. Zadornov said Russia expected to receive about \$4.3 billion more from the IMF in September. International leaders have warned Russia that international aid is in jeopardy if the country does not stick with its reform plan.

Chancellor Helmut Kohl of Germany said Wednesday that "if the conditions aren't met on the ground," then Russia cannot expect to receive any more funds.

But Russia's lower house of Parliament, the State Duma, on Wednesday canceled an extraordinary session called for later this month to discuss the government's austerity package, a senior Duma leader told Interfax. No reason was given for the move.

Mr. Zadornov said domestic debt payments this month would total no more than 13 billion rubles (2.08 billion) and that foreign debt payments would total up to \$700 million. Russia is using \$1 billion of the \$4.8 billion IMF loan it already received last month to help meet payments.

The government canceled its debt auction for a third week this week saying it refuses to borrow at rates of more than 50 percent.

Altogether, Russia must cover about \$23.4 billion in domestic debt payments this year and an estimated \$3.5 billion to \$4.5 billion in foreign debt payments. Russia's central bank reserves were at \$18.4 billion July 31, down from \$19.2 billion a week earlier.

Mr. Zadornov said government efforts to improve tax collection and narrow the budget deficit as demanded by the IMF and the Group of Seven industrialized nations have met with difficulties, but he expected improvement.

(Bloomberg, AP, AFP)



A currency trader taking an order Wednesday in Moscow.

Daimler Joins Celsius in Missile Venture

STOCKHOLM — Daimler-Benz Aerospace AG said Wednesday it had completed the creation of a venture with Celsius AB of Sweden to develop the Taurus air-to-ground missile, another step in the consolidation of Europe's defense industry.

Celsius said the deal could be a first step toward even closer ties, but it did not rule out a merger with a foreign defense company as the industry consolidated.

"As we are now in an important relationship, it would of course also be very logical to discuss other things," Lars Josefsson, chief executive of Celsius, said.

The venture, to be called Taurus Systems GmbH, will be owned 33 percent by Celsius unit Bofors Missiles and 67 percent by LFK-Len

kflugkoopersysteme GmbH, a unit of Daimler-Benz Aerospace.

"Our estimation is that the market for this type of missile is growing and we see a lot of future potential for other customers in Europe and outside Europe," Mr. Josefsson said.

Separately, Britain pulled out of a plan to develop a satellite communications network with Germany and France, saying it could not be assured of getting the satellites in time to replace its own aging network in 2005. (Bloomberg, Reuters)

EU Approves Psion's Venture

BRUSSELS — Psion PLC, a British palm-top computer maker, won European Union approval Wednesday for its venture with Nokia Oy of Finland and Ericsson AB of Sweden, the world's No. 2 and No. 3 mobile phone makers respectively, to develop software for computer-like mobile phones.

The European Commission, the executive agency that enforces EU antitrust policy, found after a one-month review that the venture, called Symbian, will not threaten fair competition in Europe's mobile communications market, the commission spokesman, Costas Verros, said.

Deal Creates Largest U.K. Liquor Chain

LONDON — Whitbread PLC said Wednesday it would merge its Thresher liquor stores with Allied Domecq PLC's Victoria Wine stores to form the largest liquor-chain in Britain.

The merged business, with about 3,000 branches, will put the companies in a better position to compete with Britain's large supermarket chains.

Whitbread said that each of the parents would own half of the merged entity. It is expected to have sales of more than £1.3 billion (\$2.1 billion) a year, and is expected to have nearly 14 percent of Britain's take-home beverage market, just short of Tesco PLC, Britain's leading supermarket chain.

J. Sainsbury PLC, Britain's second-largest supermarket, has 12 percent of the market.

The merger will result in closure of some 300 shops over three years, a spokesman for Allied said.

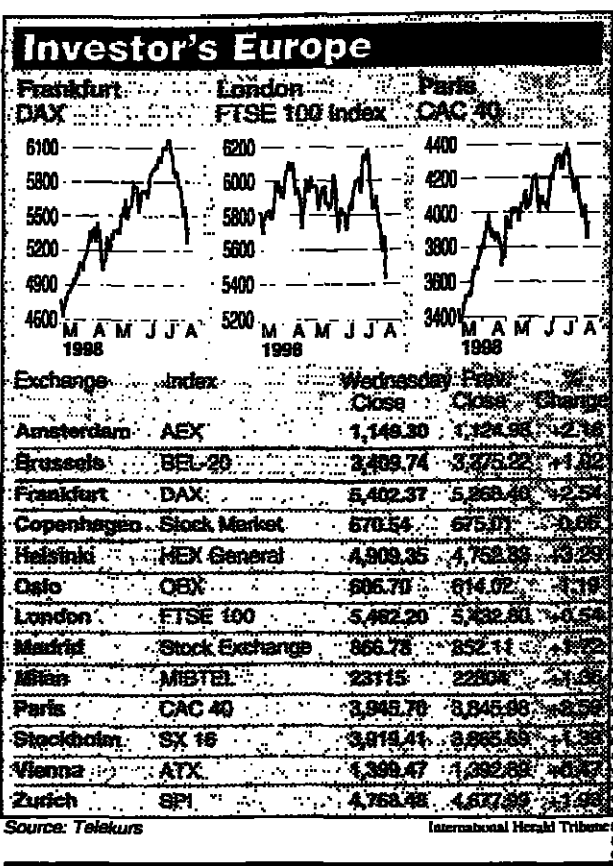
British supermarkets account for 60 percent of take-home alcohol sales, with most of the remainder coming from specialist liquor and convenience stores. Supermarkets have eaten into liquor store sales significantly in recent years by offering cheaper prices.

Analysts said the deal was unlikely to attract the attention of competition authorities. Although it will hold a strong position among small retailers, supermarkets are an increasing force in the growing retail drinks sector.

Allied's Victoria Wine retail business includes the Victoria Wine, Victoria Wine Cellars, Hadwoods, Martha's Vineyard and The Firkin chains, while Whitbread's Thresher's operation runs Wine Rack, Bottoms Up, Thresher Wine Shop, Drinks Cabin and Hutons.

Stephen Alexander, chief executive of Allied Domecq, said he will be chairman with Jerry Walton, managing director at Thresher, continuing that role in the new company.

Victoria Wine contributed some £13 million to Allied's pretax profit of £607 million last year while Thresher provided £11.9 million of Whitbread's £355 million year profit. (Bloomberg, Reuters)



Source: Reuters

Very briefly:

- British Sky Broadcasting Group PLC's pretax profit for the year ended in June fell 13.7 percent to £271 million (\$442.4 million) due to preparations for the launch of its digital television service and to a contract for broadcasting rights for English Premier League soccer matches.
- Novo Nordisk A/S's pretax profit rose 46 percent in the first half to 1.99 billion kroner (\$292.9 million) and the Danish pharmaceutical group announced a plan to buy back its own shares for up to 3 billion kroner.
- Denmark posted a trade surplus of 434 million kroner in May, down from 1.07 billion kroner in April and 2.34 billion in May 1997, according to the National Statistics Institute.
- KLM Royal Dutch Airlines NV will spend 984.4 million guilders (\$490.3 million) to buy back shares, bolstering earnings per share as recessions in Asia dim the profit outlook.
- CGU PLC, the British insurer, recorded pretax profit of £267 million in the first half, down 58 percent from a year ago, as weather-related claims more than doubled.
- Scandinavian Airlines System's pretax profit rose to 1.45 billion Swedish kroner (\$181 million) in the first half of 1998, up 30.6 percent from a year ago. (AFP, Reuters, Bloomberg)

ABB Restructures to Cut Costs

ZURICH — ABB Asea Brown Boveri Ltd., the world's largest electrical engineering company, said Wednesday that it would reorganize its business to cut costs. The Swiss-Swedish unit said it would split its industrial and building systems unit into three divisions and split its power transmission unit into two entities, dismantling its current regional structure.

WORLD STOCK MARKETS

Daily prices in local currencies

High Low Close Prev.

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High Low Close Prev.

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The 2,600 most traded stocks of the day.
Nationwide prices not reflecting late trades elsewhere.

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COMMUNICATIONS

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ASIA/PACIFIC

Moody's Cuts Rating On Big Japan Bank

Compiled by Our Staff From Dispatches

TOKYO — Long-Term Credit Bank of Japan Ltd., the second largest of the nation's three long-term credit banks, had its debt rating cut to "junk" on Wednesday by Moody's Investors Service Inc.

Moody's said the bank's whole-sale business had been "under significant pressure because of its declining debt refinancing capabilities in the last few months. It may further cut the bank's rating because of 'uncertainty' about a planned merger with Sumitomo Trust & Banking Co.

The bank's problems have exposed serious flaws in Japan's battle to rescue the finance system, analysts said.

Prime Minister Keizo Obuchi is battling to pass six bills to clean up the debt-laden finance sector. Even if the bills are passed, they would be unlikely to change the prospects of the once-mighty bank, created in 1952 to lead Japan's industrial charge, analysts said.

Long-Term Credit Bank, which is plagued with debt, was reported in June to be on the verge of collapse, and its shares on the Tokyo Stock Exchange became almost worthless overnight. The bank's shares closed at 42 yen (28 cents) on Wednesday, after falling to a record low 38 yen on Tuesday. Its shares once traded at 2,820 yen, in 1987.

"The share price merely reflects concerns about the true extent of nonperforming loans both at LTCB and other institutions," said Brian Waterhouse, banking analyst at HSBC James Capel.

The proposed banking laws "don't even start to address the fundamental problems," he said.

The legislation "does nothing to encourage them to lend more, nothing to stimulate economic recovery," Mr. Waterhouse added. Other than the plan to set up last-ditch bridge banks, the bills involved no public spending.

The government had promised 17 trillion yen to protect depositors and 13 trillion yen to inject capital into the finance system, but of the total 30 trillion yen only 1.8 trillion had been spent.

Long-Term Credit is pinning its hopes on a planned merger with Sumitomo Trust, but without public funds the country's second-biggest credit bank could fail any time, analysts said.

Moody's cut the bank's senior debt rating to Baa1 from Baa2. The bank's deposit rating was cut to Baa3, one notch above junk, from Baa2, and its subordinated debt rating was cut to B3 from B1.

(Bloomberg, AFP, AP)



GOOD COPY — "Mr. Copyright" leading his aid to Taiwan's campaign to enforce intellectual property rights. The United States has placed Taiwan on a watch list for violators.

Bank Inquiry in Indonesia

Employees of 9 Failed Lenders in Criminal Investigation

Bloomberg News

JAKARTA — Indonesia has begun criminal investigations of employees and managers at nine banks it closed and liquidated last year, the central bank said Wednesday.

Achjar Ilyas, managing director of the central bank, declined to name the banks or provide details of the allegations, although he did say the institutions were among the first batch of 16 banks liquidated.

Mr. Ilyas said he had handed over authority for the investigation to the police. The banks were shut because of repeated violations of banking

laws, including extensive lending to their own shareholders.

Owners of the banks shut in November include two children of former President Suharto, Siti Hediati Prabowo and Bambang Trihatmodjo, and a half-brother of Mr. Suharto, Probosutedjo. The government has promised to revise its laws to improve oversight of banks and to make managers more accountable for their actions.

The country's banking system nearly collapsed after the devaluation of the currency, the rupiah, and a surge in bad loans.

Indonesia Reconsiders Sale of Firm

Bloomberg News

JAKARTA — The government said Wednesday it was reconsidering the sale of a majority stake in the cement maker PT Semen Gresik, following local opposition to the sale to a Mexican company.

Tauri Abeng, the state enterprises minister, said the government may keep a majority stake in Gresik, even though it could scuttle a \$418 million bid for 51 percent of Gresik by Cemex SA of Mexico.

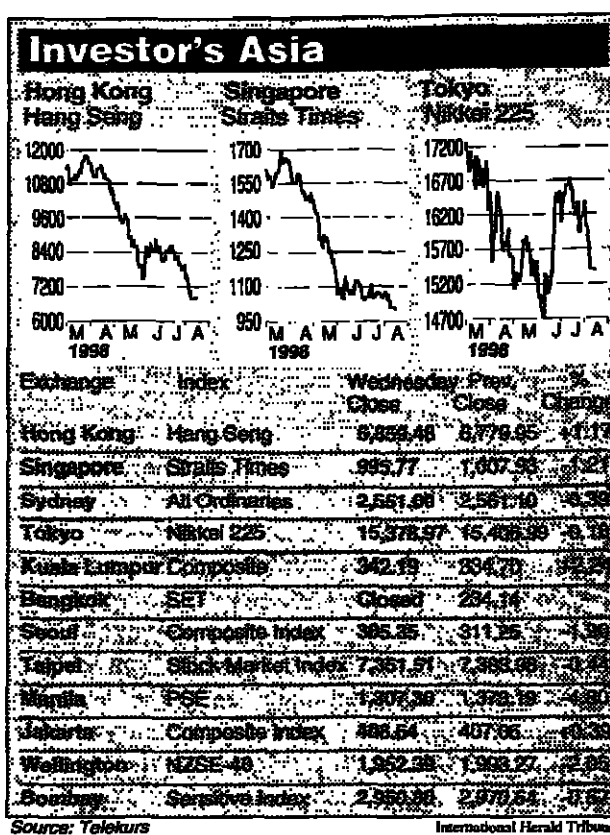
That would be a reversal of announced plans to sell off majority stakes in state-owned companies to get the best price.

Mr. Tauri said the government would probably receive lower bids if it refused to give up majority control.

"The government is considering only selling a minority stake in Semen Gresik, following the strong opposition from the people of West Sumatra," Mr. Tauri said.

He met Wednesday with workers and officials in the area of Gresik's PT Semen Padang subsidiary in Sumatra.

Analysts warn that opposition to the Gresik sale could jeopardize the government's program to sell majority control of state companies to foreign investors, a plan that would bring much-needed cash into Indonesia's slumping economy.



Very briefly:

- Indonesia's net foreign reserves fell to \$14.08 billion in the week that ended Aug. 7, from \$14.19 billion the week before, the central bank said. Indonesia repaid about \$116 million in foreign debt during the week, the bank added.
- Sony Corp. has halted shipments in Japan of some video cameras after a magazine article showed that the cameras' infrared technology could be used to see through clothing. A company spokesman said Wednesday, "We feel an unbearable regret over such use."
- Menang Corp., a Malaysian real estate company, filed for bankruptcy. Menang asked for court protection to reschedule debts of 71.8 million ringgit (\$17.3 million), reduce capital and buy "cash-generating assets."
- InfoSeek Communications (Singapore), a privately held company that provides international calling services, may face a suit by the Telecommunications Authority of Singapore for bypassing Singapore Telecommunications Ltd., which is the country's sole authorized international calling gateway.
- Mita Industrial Co. Ltd., a Japanese manufacturer of photocopiers which filed for bankruptcy this week, faked profits over the past 10 years to get bank loans, the court-appointed receiver said, by the "utterly simple method" of booking fake profits in its earnings reports.

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Singapore Aims to Revitalize Industry

Bloomberg News

SINGAPORE — Singapore should cut commission rates, increase foreign ownership in brokerages and take other steps to further develop its capital markets, a government panel recommended Wednesday.

The committee's 46 recommendations, most of which are likely to be adopted, come as Singapore is trying to revitalize its finance

and securities industry amid increasing competition from Hong Kong and other aspiring financial centers in Asia such as Kuala Lumpur. Many of the proposals have been discussed by government and industry officials for several years.

"The ultimate goal is to make the industry more vibrant," said Lim Hua Min, committee chairman and head of Phillip Securities Pte.

BELARUS: Too Many Bunnies in Economy Give Country an Inflation Headache

Continued from Page 1

Union's glory days, and he brooks little dissent. Personal and press freedoms are sharply limited, and the country's human rights record has come under growing attack.

Government officials are not spared. This summer, Mr.

Lukashenko evicted many foreign diplomats from their residences, and even one Belarus public servant who criticized the country's fiscal policy quickly found herself jobless and in jail.

"It's just another blip in what's become a long, slippery slope," said an official

of one international lending agency in Minsk, the Belarusian capital.

"They control prices, while they push up the money supply," said the official, who asked not to be identified.

"The two actions are incompatible, and the result is inflation."

Officially, inflation is no problem in Belarus. The official exchange rate is about 41,000 rubles to the dollar. But there are at least three other less official exchange rates, up to and including the black-market rate, which has the dollar hovering around 85,000 rubles.

Similarly, prices in Belarus are officially stable, a result of government decrees capping them. But unofficially, prices are edging up by 3 or 4 percent a month. Some sellers evade the decrees by reissuing their price-controlled goods under new names. Others sell goods on the black market or in open-air markets that are hard to patrol.

One result is hardship. Inflation gnaws at the average worker's take-home pay of \$50 to \$100 a month; pensions are even smaller. Another is isolation. Foreign companies, especially Western ones, have slashed their investments in Belarus. Motorola Inc. abandoned a semiconductor-manufacturing venture in May, and a Western maker of television picture tubes pulled out this summer.

Almost all of Belarus's foreign trade is now conducted with Russia, and even there, much of the trade takes the form of barter rather than using hard-to-get cash. Only last week, according to news reports, Belarus agreed to pay Russia's natural-gas monopoly, Gazprom, \$300 million in refrigerators, tractors and other hard goods to settle a longstanding debt.

Mr. Lukashenko's policy has been to keep state control of industries, while allowing them to react somewhat to the forces of capitalism — "market socialism," as his government calls it.

According to government statistics, it has worked: The nation's gross domestic product leaped 11 percent last year, and exports swelled by 27 percent.

"To boost production, they have to pay salaries," said Mikhail Seleznev, a Belarus native and an investment analyst for United Financial Group, in Moscow. "And to pay salaries, they simply print money. The local currency is being printed whenever they need it."

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WEALTH: Downturn Ahead for Spending?

Continued from Page 9

bated how much these developments have contributed to a so-called "wealth effect," in which American households tracking their expanding stock portfolios have felt freer to spend — and thus generate more economic growth.

The reverse, the wealth-shock argument, "shouldn't be treated as a kooky idea any more," said James Glassman, an economist at Chase Securities Inc. in New York.

"When you look at all the euphoria we've had in the consumer sector lately, it doesn't take too much imagination to see how it could happen."

During the first half of this

year, robust consumer spending helped to cushion the U.S. economy from the sharp drop in exports to slumping Asian economies. But Mr. Glassman is one of a number of Wall Street analysts who fear that a major downturn in the U.S. stock market could trigger an unexpectedly large decline in consumption in the remainder of the year.

One reason for his concern is that, between January and June, consumer spending rose at an annualized rate of 6 percent, even though household incomes rose at a rate of only 3 percent. The household savings rate during the period dropped to near zero.

The implication, said Mr.

Glassman, is that the recent big gains in the value of consumers' stock portfolios have convinced Americans that they need to worry less about putting money away for their retirement and can afford to spend more freely.

Chase Securities analysts estimate that a 10 percent sustained decline in the stock market would be expected to lower economic growth by about 0.5 percentage points over the year.

Some experts contend that a severe market decline now could reduce spending in a matter of weeks or months. Others argue that stock prices would have to remain at lower levels for at least a year.

République du Congo
Ministère des Finances et du Budget

TENDER FOR THE SELECTION OF A PRE-SHIPMENT INSPECTION COMPANY

The Government of the Republic of Congo invites sealed proposals from internationally reputable companies for the provision of PSI services covering imports and some exports. Interested companies will be required to submit their bid in one original and three copies to the Ministry of Finance and Budget, in Brazzaville in two separate sealed envelopes:

- Envelope "A" will contain technical data to be used for prequalification
- Envelope "B" will contain price proposals.

Tenders must be received at:
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before 15 September 1998 at 12:00 noon, when public opening will take place.

Proposals should remain valid up to 16 November 1998. They must contain a bid bond worth CFA francs 30,000,000 (thirty Million) or its equivalent in convertible currency, established in the name of the Ministry of Finance and Budget. Bid bond is liable to forfeiture, should the bidder choose to withdraw his/her bid between the time of the public bids opening and the expiry of the validity period, or fail to accept and sign the contract established in terms with his/her proposal by the Ministry of Finance and Budget.

Interested companies can apply for a copy of the Request for Proposals from one of the following sources through a formal request on Company stationery signed by an authorized representative:

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Economics Advisor
Ministère des Finances et du Budget
Brazzaville
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Fax: 242 81 41 45
- ICS
1101 30th Street NW
Suite 305
Washington, DC 20007
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The Associated Press.

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August 12, 1998

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SPORTS

Trying to Restore Bits Of a Shattered Life

Appleby Back to Golf After Wife's Death

By Leonard Shapiro
Washington Post Service

REMOND, Washington — They had been on the way to Paris for a second honeymoon, a loving couple in every sense of the word. But now, Stuart Appleby, the 1998 Kemper Open champion, is back on his own without Renay, the joy of his life. Incredibly, he has decided to play here this week at the PGA Championship, clearly still numb from the tragedy that took place outside Waterloo Station in London on the afternoon of July 23, but determined to "look at it from what would Renay really want me to do."

A week after the British Open, Renay Appleby, 25, died in an accident while unloading a bag from the taxi they had shared to catch a train to France. She was so close to him, and yet there was nothing he could do when a taxi driver who thought he was in a drive was actually in reverse. He stepped on the gas, only to have the vehicle lurch backward and crush Renay against another car with enough force to end her life.

Stuart Appleby will be playing less than three weeks after the funeral that stunned the world of professional golf and all of his native Australia, where Renay and Stuart grew to love the game they both played so well, and ultimately to love each other. It was not a difficult decision to play this week, Appleby said Tuesday during an emotional news conference he said he also felt strongly about getting through.

"I'm trying to take little steps at a time, trying to fit my life into where it once was," Appleby said. "She'd want me to get back on with the right frame of mind. You never forget someone like Renay. She's going to steer me in the right direction. At this point, days are more important than scores."

Renay Appleby was a childhood competitor of Karrie Webb, the LPGA tour star. Renay often told friends she did not like Stuart very much when they first met because, according to a friend of theirs, the Australian golfer Robert Allenby, "She thought he was a stuck-up pig."

At the time, in 1992, both were playing on an Australian team touring the United States for matches against college teams. When their coach tried to pair them to play a match against Texas Tech in Lubbock, Renay wanted no part of it. They played together anyway, won easily and their relationship was on the upswing.

Three years later, she called for him on the Nike Tour, making friends

wherever she went. They married in 1996, and Renay was almost always with him afterward. When Stuart reached the PGA Tour, she dropped the bag and watched from behind the ropes. She saw him win more than \$2 million and two events, and was at his side when he hoisted the Kemper Open trophy above his head in June after a dramatic finish.

Tuesday, the light that shone so brightly that afternoon in Potomac, Maryland, was gone from Stuart Appleby's eyes. He has not shaved for a while, and his scraggly reddish beard occasionally was matted with tears as he struggled to hold his composure through a 30-minute news conference that left many in his audience in similar straits.

"At my best, I feel very, say, normal," he said. "At my worst, I feel terrible. It's a feeling I'd never want to wish on anyone." Appleby has been embraced by his competitors, many of whom have called or written or walked over just to say hello during the past two days. That has been a great comfort to him this week as he has returned to the only life he has ever really known. Tuesday, he played a practice round with Tiger Woods, his friend and neighbor in Orlando, Florida, where he and Renay bought their first home.

"I saw him yesterday for the first time and it was tough to talk to him," Woods said Tuesday. "I got choked up talking about it. I knew Renay just a little bit as a friend, and she was a genuine person and just the greatest."

Said Fred Couples: "You drive it in the trees and make a triple bogey and go to the next hole — and if you're worried about it for a while, you just relate it to things that happen to other people. That's easy to say, but in this instance, it's really hit home."

"I give him a lot of credit just to be able to come out. To be back on the course and doing what he's done his whole life is really where he should be."

Appleby essentially said that was why he had come to the PGA Championship. Playing golf is the furthest thing from his mind this week, and "there's not one hour when I don't think about her," he said.

"But I know this is something I have to do. I feel very lucky that I knew her, and the time we spent together was really great quality. I have no regrets. I feel she was the first prize in the raffle of life, and I was lucky enough to pick her."

"I know her well enough to know what she'd want me to do. I've got to imagine she's here, she's helping me, and everything will be O.K."



The high-leaping Royce Clayton helps the Rangers defeat the Indians, 2-1.

Padre Relievers Preserve 3-1 Victory Over Atlanta

The Associated Press

SAN DIEGO — Relievers Randy Myers, Dan Miceli and Trevor Hoffman shut down the Atlanta Braves as the San Diego Padres won a matchup of the top two teams in the National League.

"The thing that's tough about those guys, especially since they've acquired Myers, is that if you get down by one or two runs going into the seventh or eighth inning, the game is over, pretty much," said Denny Neagle, the Atlanta starting pitcher after his team lost, 3-1, Tuesday.

Down 3-1, Atlanta put two runners on base with no outs in the eighth. But Myers, recently acquired from Toronto, and Miceli escaped the inning, and Hoffman breezed through the ninth on just eight pitches for his 39th save, most in the major leagues.

Atlanta leads San Diego by two games in the chase for home-field advantage should they meet in the NL championship series.

Moises A. Cardinale 3 In St. Louis, Mark McGwire hit his 47th home run and set an NL record for most homers before September, but the Cardinals still lost to New York.

"There's a lot of August left," said Tony La Russa, the St. Louis manager. McGwire had been tied for the homer lead with Sammy Sosa, who homered twice Monday for Chicago, but did not connect Tuesday. McGwire moved back on top with a 464-foot drive in the fourth inning.

He broke Hack Wilson's NL record of 46 homers through August set in 1930.

Astros 6, Brewers 5 For the seventh

time this season, Houston rallied to win a game in which it trailed after eight innings.

Bill Spiers hit a tying single in the ninth inning and Tony Eusebio's pinch-hit single in the 10th ended the game at the Astrodome.

Jeff Bagwell and Moises Alou homered on consecutive pitches in the sixth.

Giants 8, Cubs 7 Jeff Kent hit a pair of two-run homers and Barry Bonds drove in three runs as San Francisco beat Chicago to stop a five-game losing streak.

The host Giants blew a 5-0 lead, but came back in the seventh when Bonds singled home the tying run and Kent hit his 19th home run.

Marlins 8, Dodgers 6 Rookie Jesus Sanchez pitched 6 1/3 scoreless innings, and Todd Dunwoody homered and drove in three runs as Florida won at Dodger Stadium.

The Marlins led, 8-0, and got 17 hits, the most against Los Angeles this season.

Rockies 15, Expos 6 Mike Lansing, Vinny Castilla and Todd Helton each drove in four runs as Colorado beat Montreal in Denver.

Dante Bichette went 4-for-4 and is batting .347, three points behind league leader John Olerud of the Mets.

Diamondbacks 7, Phillies 3 Tony Batista hit two home runs and Andy Benes won at home for the first time in nearly three months. Philadelphia lost for the 11th time in 13 games.

Pirates 7, Reds 6 Francisco Cordova pitched a six-hitter and Kevin Young and Jason Kendall each homered as Pittsburgh won in Cincinnati.

Wells Is Almost Perfect Shutting Out Twins, 7-0

New York Times Service

NEW YORK — His perfect game created a cottage industry for David Wells, whose locker is stuffed with memorabilia requiring his signature. There will always be another Beanie Baby or ticket stub or baseball for Wells to scrawl across.

The perfect game, too, heightened general expectations of Wells — and, others believe, Wells's expectations of himself. Regarded as undisciplined in the past, Wells marches onward toward his first 20-victory season.

Tuesday night, in his first game against Minnesota since he pitched the perfect game May 17, he held the Twins to four hits and faced just three batters over the minimum of 27 in a 7-0 victory

his curve ball was missing, if his fast ball did not have its usual zip — he fought and battled and found a way to win.

Wells did have his great stuff Tuesday night. Great fast ball. Good curve ball, a changeup.

Brent Gates quickly ended the question of whether Wells would throw back-to-back perfect games against the Twins: The second batter of the game, Gates bounced a chopper down the third-base line, the ball kicking past Scott Brosius for a double.

Wells otherwise shackled the Twins, facing just one batter over the minimum for the next five innings as his teammates hammered the former Yankees prospect Eric Milton.

The Yankees' victory improved Torre's career record to 1,168 victories and 1,168 losses, the first time he has reached .500 since he managed the Mets more than 21 years ago. He later managed Atlanta and St. Louis before joining the Yankees prior to the 1996 season.

In other games, The Associated Press reported:

Blue Jays 7, Mariners 4 In Toronto, Seattle's Ken Griffey failed to homer for the 10th straight game, going 1-for-4 with two strikeouts. Griffey, who leads the American League with 41 homers, has not connected in 46 at-bats — his longest drought of the season.

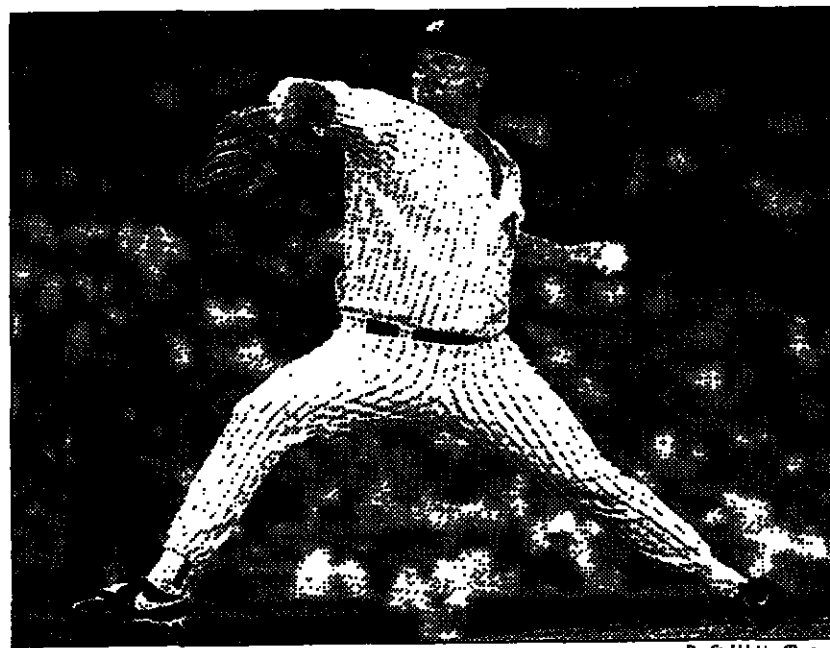
Rangers 2, Indians 1 Estaban Loaiza, acquired from Pittsburgh on July 17, allowed one run and seven hits in 7 1/3 innings in Cleveland to get his first victory for Texas.

Devil Rays 2, Orioles 1 Bobby Smith singled home the winning run off Armando Benitez (4-3) with two outs in the ninth as Tampa Bay beat visiting Baltimore.

Red Sox 7, Royals 4 In Boston, Nomar Garciaparra tied the score with Kansas City with a solo homer in the sixth, then hit a three-run shot in the 10th that raised his season total to 24.

Angels 5, Tigers 4 Luis Gonzalez dropped Craig Shipley's fly to left for an error, allowing Jim Edmonds to score the winning run for Anaheim in the 11th at Tiger Stadium as Detroit lost its 11th straight.

Athletics 6, White Sox 4 Rip Roberts had three hits, including a two-run double. Ben Grieve also drove in two runs as Oakland stopped a three-game losing streak in Chicago.



David Wells of the Yankees was near perfect in raising his record to 15-2.

NFL Will Investigate Irvin

Washington Post Service

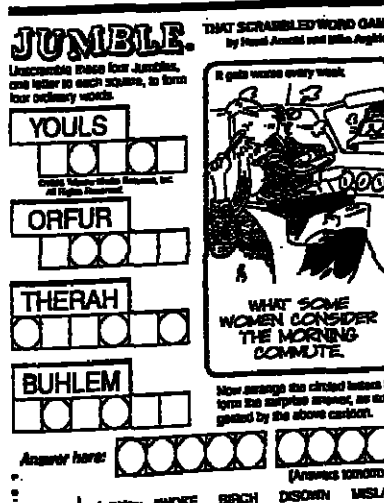
The National Football League's security office will look into an incident between Dallas Cowboys wide receiver Michael Irvin and starting guard Everett McIVER to see if the league's new violent crime policy was breached, even if criminal charges have not been filed.

Greg Aiello, an NFL spokesman, said the league would continue to have no comment on an incident that left Irvin with a two-inch cut on his neck from scissors after a scuffle during a hair-cutting session at Dallas's training camp dormitory in Wichita Falls, Texas. McIVER missed 11 days of practice and two games since July 29. He returned to practice Monday.

"I fully expect the NFL to take a look-see into the matter," said Jerry Jones, the Dallas owner. "It wouldn't surprise me."

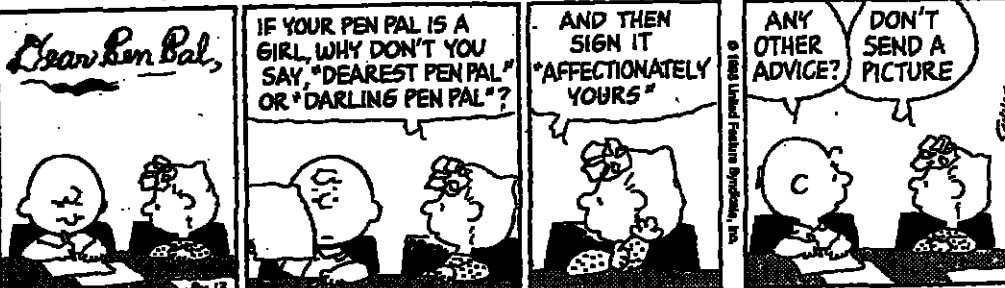
McIVER has not filed a complaint with police, and no charges have been filed. But the league could discipline Irvin under the violent crime policy, introduced in March. The policy covers any incidents that involve the use or threat of physical violence and the use of a deadly weapon in the commission of a crime.

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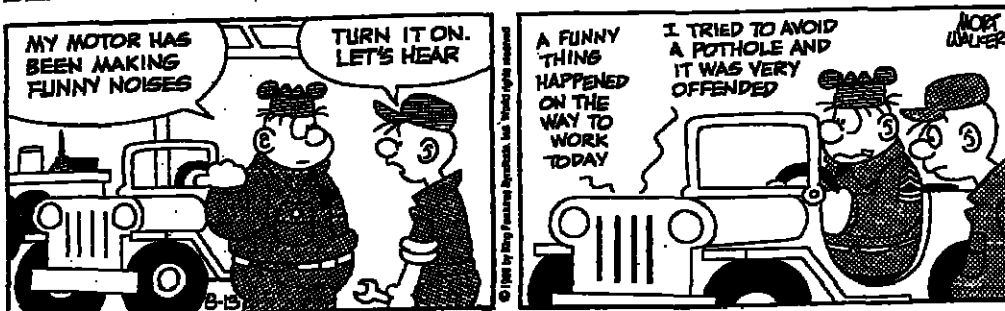
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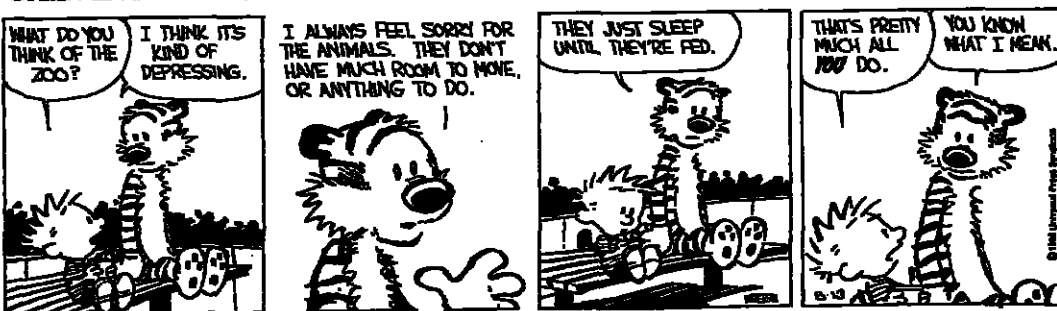
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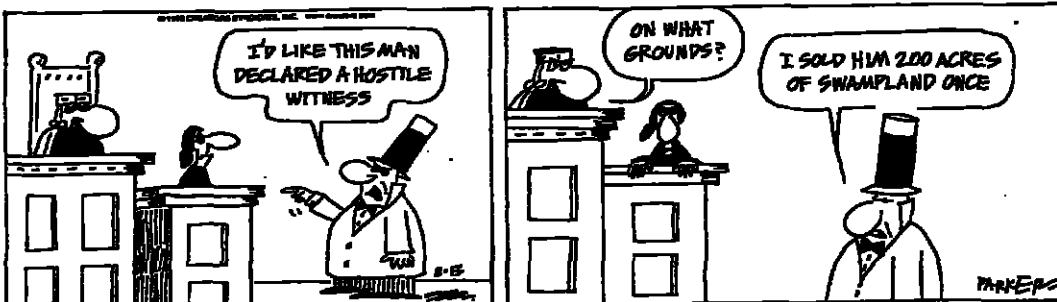
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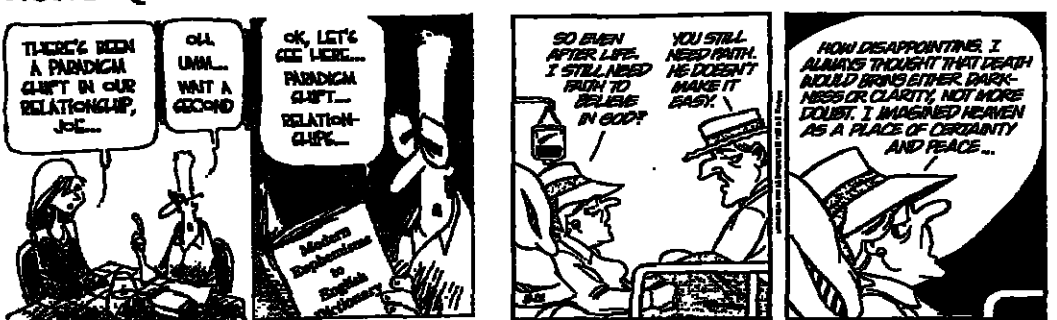
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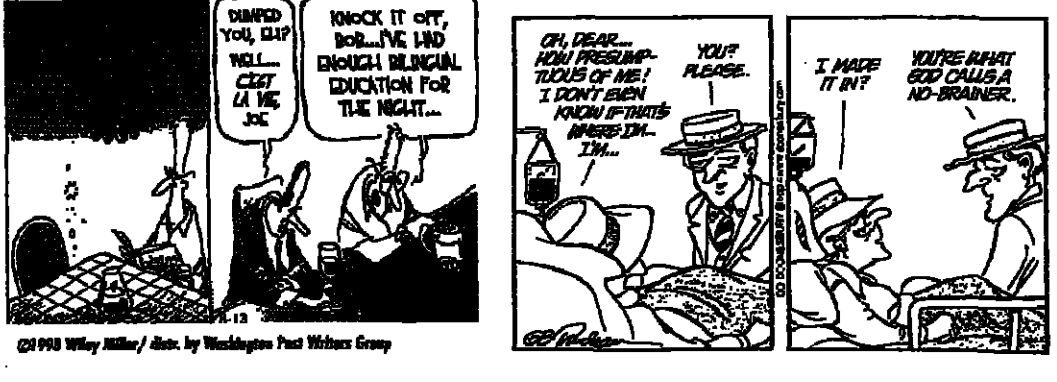
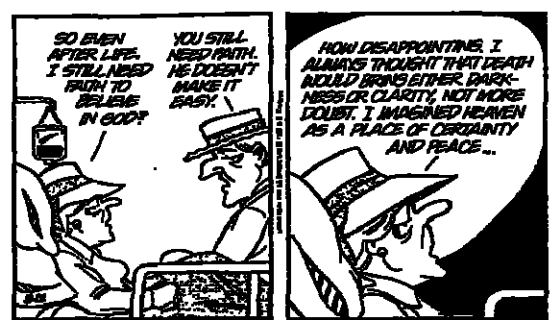
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Party, Party, Party

MARTHA'S VINE-

YARD, Massachusetts — The most important thing to do on vacation, next to eating corn on the cob, is go to a cocktail party.

The cocktail party has taken on so much importance that people now drive hundreds of miles to mingle with folks they just had a drink with the night before. The cocktail party moves from hostess to hostess and is the main method of repaying someone for a party she gave the week before.

After attending 45 parties in August, one starts asking the question, "Why do we keep going to parties?" The answer is simple, and that is, if we don't go to someone else's cocktail party they won't come to ours.

The key to a successful party is who attends it. A minor movie actress, a newspaper editor, a defense lawyer or a psychiatrist on vacation is a good mix. Once in a while, if you are lucky, someone may bring a house guest who just bought a telephone company or is a DNA expert on

Geraldo Rivera's show.

The main method of communicating is small talk. Exciting subjects could be where your kid goes to college and how you got out of the rough on the 14th hole.

Because of the din, it's rare at a cocktail party that you can understand what the other person says. I tried an experiment last week. Someone asked how I was doing and I said, "My grandmother died." The person said, "That's just great," and another one chimed in, "You lucked out."

Food is essential for a good cocktail party. For some it provides instant gratification; for others it takes the place of dinner. Some hostesses prefer to serve one string bean on a cracker. Others will let the budget fly and give away bits of melon wrapped in bacon.

One of the roughest parts of a cocktail party is leaving it. In most cases there are several cars parked behind you, and there is no way to get out.

So you vow never to go to another cocktail party again — at least until the Gallaghers, whose daughter plays with your 13-year-old daughter — sends you an invitation for next Sunday night.

High Dudgeon at the Albert Hall

LONDON — Whoever knew classical music fans — nay, English classical music fans — could be so rowdy? At a concert at Albert Hall in London, a group of "anti-modern music activists" disrupted a performance of Oliver Knussen's "Coursing" by the Birmingham Contemporary Music Group. The Evening Standard reported that the protesters took over a balcony box, set off an alarm and proceeded to dump leaflets on the audience.

The leaflets called the concert, part of this month's Proms series sponsored by the BBC, a "banal grab bag of other people's musical efforts." The protesters then fled. No arrests were reported and the concert continued after a brief delay, the newspaper said, "to tumultuous applause."

Live! At Last, in Moscow — the Rolling Stones

By Celestine Bohlen
New York Times Service

MOSCOW — Mick Jagger said it all, in Russian.

"At last, we are here," the 55-year-old rock singer yelled into the microphone, his voice booming across a sports stadium filled with about 50,000 cheering Russians. Many had waited 20, even 30, years to see the Rolling Stones, live and in Moscow.

Many fans at the concert Tuesday night — an extravaganza of smoke, lights and special effects, dampened only somewhat by a cold rain — had been teenagers when the Stones were at the peak of their popularity. In those days, their records — or copies of their records, ingeniously made on X-ray film — were traded like illicit treasure in Moscow's subway tunnels and dark courtyards, out of the sight of the Soviet police.

Those days are long gone. The Communist authorities — who, like tyrannical parents, had feared rock and roll and tried to keep it away from young people — fell from power seven years ago. But still the Stones had not come to Russia.

Pink Floyd came. So did Michael Jackson. But not the Stones, the group that, with the Beatles, best evoked the sad and funny travails of being a teenager in the Soviet Union.

"I thought I wouldn't live long enough," said Andrei, 42, a Moscow businessman who came to the concert Tuesday night at the Luzhniki stadium.

Siroon, 40, a television producer who, like Andrei, declined to give his last name, said, "For me, it is enough if they just walk out on stage. Why? Because for us they are a legend."

The Stones began the concert with "Satisfaction," which the crowd happily joined in, word for word. By trying to keep their youths away from Western mass culture, the Soviet authorities succeeded only in making them commit its lyrics and music to memory.

The ban on rock music meant that there were no locally produced records. Western labels were brought in, in small quantities, by tourists, diplomats and sailors and sold on the black market for as much as a student's monthly stipend.

Copies were made on reel-to-reel tapes, or on disks cut from used X-ray film — known as "bones" because of the vaguely visible X-ray images — on which the grooves of vinyl records could be etched.

To keep up with their idols, fans had to



Keith Richards, left, and Mick Jagger making their first appearance in Russia.

scrounge for their pictures in foreign magazines, or scout Soviet music products for the occasional lapse in vigilance.

In the 1960s, the Soviet record company Melodia included the Beatles' song "Girl" in a multirecord series on music from around the world. The song was titled "Folk Music and Lyrics," without identifying the group.

The record quickly sold out, as did a record put out in the 1970s with several songs by the Stones, who were identified only as an "English vocal and instrumental group."

Russian bands succeeded in playing Paul McCartney tunes on road trips by identifying their author as Pavel Makarov on the list of

songs submitted to local culture authorities.

Jagger, in an interview on Russian television, recalled the nonnegotiable "myet" delivered by the formidable Yekaterina Furseva, the Soviet minister of culture, when the idea of a Moscow concert was broached in the 1970s.

Looking back, fans see the effort, and skill, that went into keeping up with the youth revolution in the West not so much as absurd, but as almost heroic.

"Those were the times we lived in," said Maxim Katchalin, a 37-year-old public relations director. "They laid down the rules. We looked for the exceptions. Now we live

in other times, but maybe we should look back with pride at how we got around those rules. Maybe if they had allowed us everything, it would not have been as interesting."

Vasili Kapko, a 44-year-old driver who grew up in Ukraine on the Soviet Union's western border, had no trouble following the Beatles, the Stones and all the other groups that came after them; he just turned on the radio and picked up European stations.

"I liked it, so I listened," he said. "It was all there. There were those who had the money to buy the records, and those who didn't have the money found a friend who did and made tapes. In the end, everybody listened."

For Kapko, Tuesday night's concert was mostly a trip down memory lane. He has not kept up with the Stones and his children prefer punk and grunge to rock and roll.

"It was our youth," he said. "I couldn't miss it."

But maybe, some fans said wistfully, 20 years is just too long to wait.

"I don't like to say it, but I think of this as an exhibition at a museum," Katchalin said.

Now in their 50s and 60s, the Stones look their age — even if they do not act it — and the audience, by its reactions, revealed its own generation gap. The 30- and 40-something crowd came alive for the golden oldies, while the younger generation, in their 20s, were happier with the newer songs, like "Love Is Strong."

For Moscow, a city still struggling to achieve normalcy, the stopover by the Stones here during their much-touted "Bridges to Babylon" European tour was a sign that it too makes the grade.

"Having seen the Rolling Stones live, we become like everyone else, at least in this field of human endeavor," noted a commentator in the newspaper Moscow News. It was left to papers close to the now enfeebled Communist Party to note that the Stones came here only "in their declining years."

But it was a local radio station, in a zany talk show broadcast after the concert, that put the Moscow appearance of the Stones in new historical perspective by staging an imaginary phone linkup between Lenin, the long-dead founder of the Soviet state fictitiously resurrected and performing at Carnegie Hall in New York, and Mick Jagger, talking from Moscow, comparing concert notes.



Sinatra at a news conference in 1963 after his release by kidnappers.

A CALIFORNIA court has issued a restraining order sought by Frank Sinatra Jr. that prevents three men who kidnapped him 35 years ago from profiting from a movie about the crime. The court order temporarily prevents Columbia Pictures from paying Barry Keenan, Joseph Amisler and John Irwin, who were convicted of kidnapping Sinatra in 1963. Without the court order, the men would have been paid \$750,000 to \$1 million, Sinatra's lawyer said. The California Legislature passed a law in 1986 to prevent felons from profiting from their criminal activity. However, Columbia Pictures alleges that the law is unconstitutional.

"The Avengers" may be headed for trouble at the box office, with its studio, Warner Bros., declining to show it to critics before its release Friday. The film's producer, Jerry Weintraub, said his decision to skip an early screening has nothing to do with the movie's merits. The film, based on a popular '60s television series, stars Ralph Fiennes,

Uma Thurman and Sean Connery.

Tommy Lee has been sentenced to 30 days in jail and fined \$800 for assaulting a security guard at a concert in Arizona last winter. The Motley Crue

drummer spoke with a Phoenix city judge by phone from the Los Angeles County Jail, where he is serving a six-month sentence for kicking his estranged wife, Pamela Anderson. Under a plea bargaining agreement, he will serve the 30 days at the same time as his

California sentence. Lee and a fellow band member, Nikki Sixx, were charged with assault on the security guard in December.

In a strongly worded statement, Buckingham Palace dismissed a new book about Princess Diana's death as fantasy and called it "deeply hurtful" to the royal family. In "The Day Diana Died," the author, Christopher Andersen, alleges that within an hour of hearing that the princess had been killed in a Paris car crash Aug. 31, Queen Elizabeth II inquired about whether she had any royal jewels with her and whether they were safe. The claim is "completely inaccurate and without any foundation whatsoever," said a palace spokeswoman. The book, published this week in the United States, also said the queen tried to stop Prince Charles from flying to France to claim his former wife's body. On the contrary, the spokeswoman said, the queen suggested her son use a Royal Squadron aircraft to bring the princess's body back to Britain.

PEOPLE

Ferlinghetti Is San Francisco's Poet Laureate

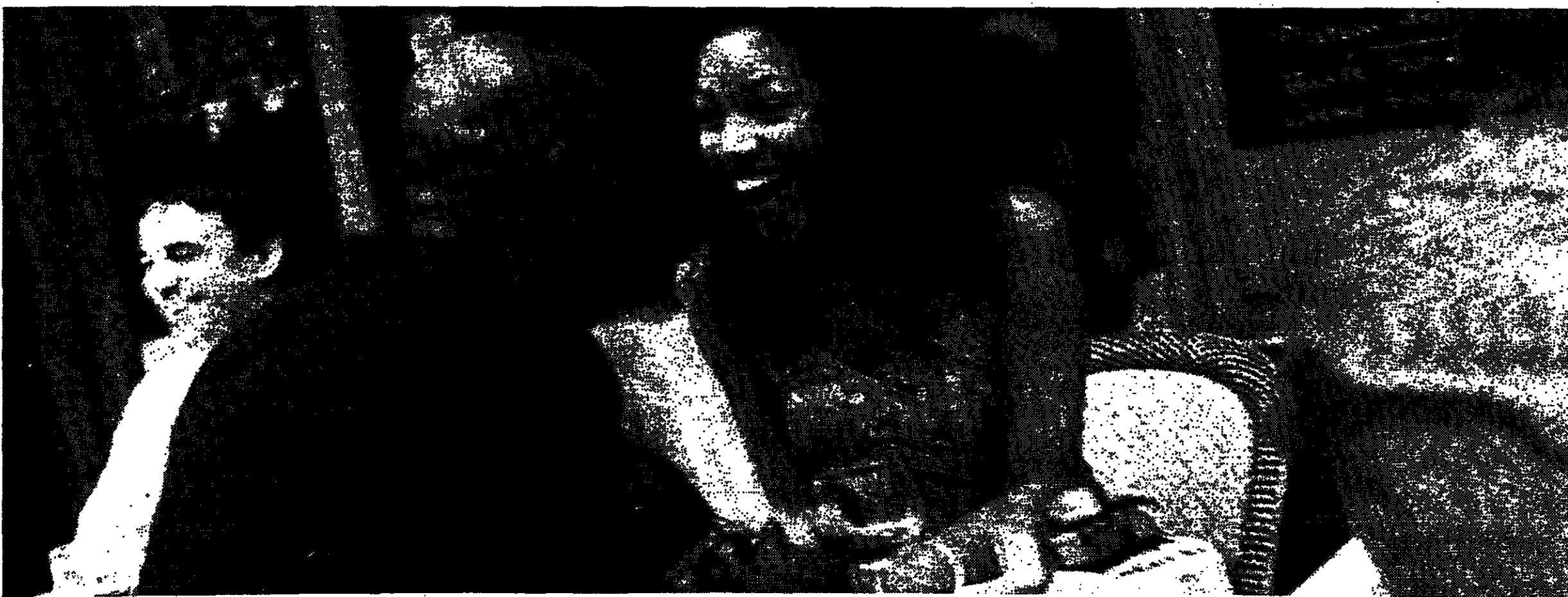
The Associated Press

SAN FRANCISCO — Lawrence Ferlinghetti, whose City Lights bookstore is a landmark of the Beat Generation, has been named San Francisco's first poet laureate.

"I'm really honored because I'd rather be poet laureate of San Francisco than any other city in the world," said Ferlinghetti, 79, at a City Hall ceremony. As poet laureate, Ferlinghetti will be asked to give readings and visit libraries to meet with young aspiring poets. He also will receive a \$5,000 honorarium from a private foundation.

Ferlinghetti is the author of two novels and more than a half-dozen collections of poems. A New York native who has called San Francisco home since the 1950s, he said he already had a few ideas for how to use his year of service.

"One is the establishment of a poet's house in Treasure Island or at the Presidio," he said, resurrecting an idea for an official poetry headquarters he first offered some 20 years ago.



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